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ISTANBUL ANTI-CORRUPTION ACTION PLAN

FOURTH ROUND OF MONITORING

AZERBAIJAN

PROGRESS UPDATE REPORT

This document contains the progress update and assessment of implementation of recommendations from the Fourth Round of Monitoring of the Istanbul Anti-Corruption Action Plan for Azerbaijan adopted at the ACN Plenary meeting on 13 September 2017, at the ACN Plenary meeting on 3 July 2018 and at the ACN Plenary meeting on 21 March 2019.

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BACKGROUND

About the OECD

The OECD is a forum in which governments compare and exchange policy experiences, identify good practices in light of emerging challenges, and promote decisions and recommendations to produce better policies for better lives. The OECD's mission is to promote policies that improve economic and social well-being of people around the world. Find out more at www.oecd.org.

About the Anti-Corruption Network for Eastern Europe and Central Asia

Established in 1998, the main objective of the Anti-Corruption Network for Eastern Europe and Central Asia (ACN) is to support its member countries in their efforts to prevent and fight corruption. It provides a regional forum for the promotion of anti-corruption activities, the exchange of information, elaboration of best practices and donor co-ordination via regional meetings and seminars, peer-learning programmes and thematic projects. ACN also serves as the home for the Istanbul Anti-Corruption Action Plan. Find out more at www.oecd.org/corruption/acn/.

About the Istanbul Anti-Corruption Action Plan

The Istanbul Anti-Corruption Action Plan is a sub-regional peer-review programme launched in 2003 in the framework of the ACN. It supports anti-corruption reforms in Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Mongolia, Tajikistan, Ukraine and Uzbekistan through country reviews and continuous monitoring of participating countries' implementation of recommendations to assist in the implementation of the UN Convention against Corruption (UNCAC) and other international standards and best practice. Find out more at www.oecd.org/corruption/acn/istanbulactionplan/.

PROGRESS UPDATE METHODOLOGY SUMMARY

After the adoption of the Monitoring Report, the evaluated country presents a Progress Update at each subsequent ACN Plenary meeting.

The **Progress Update** begins with a description of the methodology, followed by the summary of the assessment of implementation of recommendations, as agreed during the Plenary Meeting of September 2016. It then goes into each recommendation separately, providing the country report, as well as the ACN and expert evaluation. Each recommendation section includes all progress updates since the last monitoring report.

The Progress Update follows the following steps:

1. Progress Update reports are prepared by country representatives

These documents include information on implementation measures taken for each recommendation, and may also cover additional anti-corruption developments. Country representatives submit a written Progress Update report to the ACN Secretariat through appointed National Co-ordinators, together with supporting documents, such as laws and statistical data. Civil society also submits alternative reports on progress.

2. Preparation of preliminary assessment by ACN Secretariat and experts

The Secretariat and the experts who contributed to the Monitoring Reports (or delegates replacing the experts) study the Progress Update reports and prepare a draft progress assessment for the Plenary Meeting. Civil society is also invited to contribute to the evaluation.

3. Discussion at ACN Plenary meeting

ACN Secretariat and experts discuss the Progress Update during a bilateral preparatory meeting with country representatives. The Plenary then discusses and endorses the assessment.

4. Finalisation of Progress Update

Following the Plenary Meeting, the Secretariat adds the final assessment to the Progress Update reports, finalises and publishes them on the ACN website.

PROGRESS UPDATE SUMMARY

18th Istanbul Anti-Corruption Action Plan Monitoring Meeting 12-13 September 2017:

Assessment of the Progress Update of Azerbaijan was prepared by the following experts: Anca Jurma, Romania; Aziza Umarova, UNDP; Dirk Plutz, EBRD; Mihaylo Milovanovitch, independent expert; and Tanya Khavanska, OECD/ACN Secretariat. The evaluation is based on the Government's Progress Update; there were no submissions from Azerbaijan NGOs.

19th Istanbul Anti-Corruption Action Plan Monitoring Meeting 3-5 July 2018:

Assessment of the Progress Update of Azerbaijan was prepared by the following experts: Anca Jurma, Romania; Aziza Umarova, UNDP; Dirk Plutz, EBRD; Mihaylo Milovanovitch, independent expert; Simone Rivabella and Tanya Khavanska, OECD/ACN Secretariat. The evaluation is based on the Government's Progress Update, as well as on discussions during the bi-lateral meeting in Paris. There were no submissions from Azerbaijan NGOs.

20th Istanbul Anti-Corruption Action Plan Monitoring Meeting 19-21 March 2019:

Assessment of the Progress Update of Azerbaijan was prepared by the following experts: Anca Jurma, Romania; Dirk Plutz, EBRD; and Tanya Khavanska, OECD/ACN Secretariat. The evaluation is based on the Government's Progress Update, as well as on discussions during the bi-lateral meeting in Paris. There were no submissions from Azerbaijan NGOs.

Recommendation	Assessment of Progress		
	18 th Meeting September 2017	19 th Meeting July 2018	20 th Meeting March 2019
Recommendation 1	Significant Progress	Lack of progress	Lack of Progress
Recommendation 2	Progress	Significant progress	Progress
Recommendation 3	Significant Progress	Lack of progress	Progress
Recommendation 4	Lack of Progress	Lack of progress	Lack of Progress
Recommendation 5	Progress	Lack of progress	Lack of progress
Recommendation 6	Progress	Lack of progress	Progress
Recommendation 7	Lack of Progress	Lack of progress	Lack of progress
Recommendation 8	No rating	Lack of progress	Lack of progress
Recommendation 9	Lack of Progress	Lack of progress	Lack of progress
Recommendation 10	No rating	Progress	Progress
Recommendation 11	Lack of Progress	Lack of progress	Lack of progress
Recommendation 12	Significant Progress	Progress	Progress
Recommendation 13	Progress	Significant Progress	Progress
Recommendation 14	Significant Progress	Progress	Significant Progress
Recommendation 15	Lack of Progress	No rating	Progress
Recommendation 16	Progress	Progress	Progress
Recommendation 17	Lack of Progress	Lack of progress	Lack of progress
Recommendation 18	Progress	Progress	Progress
Recommendation 19	Progress	Lack of progress	Lack of progress
Recommendation 20	Progress	Lack of progress	Progress
Recommendation 21	Progress	Progress	Progress
Recommendation 22	Progress	Lack of progress	Progress

Recommendation 23	Significant Progress	Progress	Significant Progress
Recommendation 24	Progress	Lack of progress	Progress
Recommendation 25	Progress	Lack of progress	Lack of Progress
Recommendation 26	Significant Progress	Progress	Progress
Recommendation 27	Progress	Progress	Progress
Recommendation 28	Significant Progress	Progress	Progress
Recommendation 29	Lack of Progress	Progress	Progress
Recommendation 30	Significant Progress	Significant progress	Progress
Recommendation 31	Lack of Progress	No rating	Progress

Note:

Significant progress - important practical measures were taken by the country to adequately address many elements of the recommendation (more than a half). This can involve the adoption and/or enforcement of an important law.

Progress - some practical measures were taken towards the implementation of the recommendation. For example, drafts of laws that have been at least approved by the government and submitted to the parliament would constitute "progress" for the assessment of progress updates.

Lack of progress - no such actions were taken.

Recommendations, that appear to be fully addressed can be closed for the progress update procedure and further evaluated only as a part of the monitoring procedure.

PROGRESS UPDATES BY RECOMMENDATION

CHAPTER 1: ANTI-CORRUPTION POLICY

Recommendation 1: Anti-corruption Policy document

1. **Develop comprehensive evidence-based anti-corruption policies, with clear objectives.**
2. **Plan and allocate budget for full implementation of anti-corruption policy.**
3. **Promote the development of internal action plans based on risk assessments. Publish sectoral plans and implementation reports.**
4. **Regularly monitor progress and evaluate impact of the anti-corruption policy implementation, including at the sector level, involving civil society.**
5. **Ensure meaningful and open participation of civil society in anti-corruption policy development, implementation and monitoring.**

18th Monitoring Meeting, September 2017

Government report

1. Azerbaijan's recent anti-corruption policy document, namely National Action Plan for 2016-2018 on Promotion of Open Government was adopted with 27th April 2016 dated Presidential Decree. This policy document was prepared on the basis of carried out researches by independent civil-society organizations, interim-reports of the implementation of anti-corruption policy documents, reports of state bodies and international partners. The Commission on Combating Corruption plans to initiate drafting process of new anti-corruption policy document in early 2018. For this purposes, the CCC will use any available researches and data in order to draft comprehensive evidence-based anti-corruption policy document with clear objectives.
2. It is important to note that, since the first anti-corruption policy document (2004-2006) none of measures envisaged in policy documents were left out because of budgetary constraints. It is planned to include specific budget for each measure in upcoming anti-corruption policy documents.
3. The CCC has organized two meetings with the focal points from state bodies, which stated as responsible organizations in anti-corruption policy document during 2017. In each meeting, focal points were encouraged to develop internal action plans not only based on anti-corruption policy document adopted by the Presidential Decree, but also carried out independent self-risk assessments. Each state body has submitted its internal action plan, which is based on anti-corruption policy document. In order to develop this process, the CCC plans to carry out sectorial risk assessments and submit findings to relevant state bodies for the purpose of developing more comprehensive action plans.
4. The CCC, within the CoE/EU Eastern Partnership Programmatic Co-operation Framework (PCF) project "Strengthening capacities to fight and prevent corruption in Azerbaijan" has developed "Electronic Monitoring System" which allows state bodies (i) to send reports based on each measure envisaged in action plan with relevant data, image and videos; (ii) to publish news and events related anti-corruption and OGP issues; (iii) to send messages to focal points of other state bodies and CCC. Furthermore, new system allows CCC (i) to monitor progress of each specific measure; (ii) to monitor progress of each state body; (iii) to review activeness of state bodies based on publishing of news and events by state bodies; (iv) to send collective and individual reminders and messages. It is important to note that, this system is the first time applied in the region by Azerbaijan. In order to evaluate impact of carried out measures, CCC will commission relevant survey companies and NGOs

to carry out independent research and surveys on the impact of implemented measures.

5. Current Action Plan was developed in a consultative process involving civil society, representatives of international organisations and other key stakeholders. Draft Action Plan and information about the process were posted on the web-page of the CCC. Several public discussions were held within the framework of the Working Group of the CCC on Improving Legislation. All meetings were open and radio transmission was organized. Independent assessment of draft action plan was carried out by Council of Europe experts within the EU funded project. Another novelty of above-mentioned electronic monitoring system is that, the CCC is planning to give access to OGP Platform in order to carry out joint monitoring. Furthermore, Constitution Research Foundation, national branch of the Transparency International and several other NGOs are also involved in implementation of measures envisaged in Action Plan (2016-2018). Such as Azerbaijan Internet Forum and Multimedia Center with the support of the CCC has produced a methodical guideline on “Publishing information by state bodies” according to measure 2.2 envisaged in the current Action Plan. Furthermore, TI-Azerbaijan recently published impact evaluation on the results of measure 8.6 (Implementing measures on the application of governing principles applied in “ASAN service” centers and transparency standards in state bodies) envisaged in Action Plan (2016-2018). According to Action Plan, on 9th September 2016 “Open Government Partnership Dialogue Platform” was established to strengthen the cooperation, communication and partnership among state bodies and civil society organizations and to contribute further expansion of OGP principles/values in Azerbaijan. Memorandum was signed by participating parties, which defined the functions and objectives of the Platform, and its charter was adopted. 10 state bodies, including Anti-Corruption Commission and Ministry of Justice, whose activity specifically relates to civil society organizations, Parliament and 31 NGOs established the platform. The event was attended by representatives of international organizations. The platform is open to any civil society organization. Charter of Platform and list of member organizations and state bodies are available in the website of platform. OGP Platform carried out several meetings and presentations in 5 different regions of Azerbaijan with the purpose of expanding its activities and engages regional organizations with participation of state bodies and media. Based on the findings of meetings, OGP Platform submitted package of proposals on improving enabling environment for civil society organizations to the Government for consideration. Proposals of the Platform were taken into account by respective state bodies and were reflected in legal acts. Throughout the work of OGP Platform, concerns regarding registration of 17 member organizations (NGOs) and registration of respective documents of these organizations have been eliminated. Grant agreements which signed between foreign donors and numerous NGOs have been registered and in this regard the respective notification has been delivered to them, which enables NGOs to access the resources and continue their activities in a more efficient manner. Furthermore, the Council on State Support to NGOs already supported 10 projects aiming at assisting implementation of OGP National Action Plan.

Assessment of progress

From provided information, it appears that some steps have been made towards implementation of the majority of the elements of this recommendation, which amounts to Significant Progress. Nevertheless, Azerbaijan also reported many plans that it was going to undertake and it will be important that they be being implemented in order for progress to be further recorded.

Significant Progress

19th Monitoring Meeting, July 2018

Government report

1.1 Commission on Combating Corruption initiated drafting process of New Strategy and National Action Plan on Prevention of Corruption on 18th May 2018. Working Group, composed 25 experts from various state bodies, NGOs and independent experts, met and discussed results of previous

National Action Plan and decided to develop comprehensive evidence-based anti-corruption policy document with clear objective. For this purpose, two project teams were established. First group will explore international experience, review recommendations of international organizations regarding both the format and content of anti-corruption policy documents and submit initial concept paper to WG on 1st June 2018. Second group will research national experience, legislative and institutional mechanisms in order to assess risks. It is planned to carry out surveys and risk-assessments nationwide. WG expects to finish drafting process by the end of October 2018 and conduct public hearings of draft anti-corruption policy document in November and December 2018.

1.2 This recommendation was specifically discussed during the meeting of the Working Group and it is planned to include specific budget for each measure in upcoming anti-corruption policy document. Several members of WG from state bodies noted that this experience will be new because till now even though none of the measures were left out because of budgetary constraints, there has been no specific budget indicated in any action plan.

1.3 In the view of implementation of the current Action Plan for 2016-2018 each state body periodically submits its implementation reports through newly developed “Electronic Monitoring System”. CCC suggested that in new action plan, specific sectors should be targeted as pilot, risk assessments have to be carried out and specific sectoral plans should be developed within the implementation process of new draft action plan.

1.4 The CCC monitors implementation of the National Action Plan for 2016-2018 on Promotion of Open Government on a regular basis through newly developed “Electronic Monitoring System” (ems.gov.az). Monitoring showed that in 2017, 86% of measures envisaged in the Action Plan were implemented by state agencies. New e-monitoring system is also upgraded. Currently, e-monitoring system allows comparing results (in years) of state bodies and measures envisaged in NAP.

1.5 Current composition of WG includes civil society members of OGP Azerbaijan Platform and other independent experts. Furthermore, after preparation of initial draft, CCC will conduct public hearings with the participation of media, international stakeholders and more inclusive participation of civil society organizations. Besides that, CCC will publish this draft action plan through its website, social media accounts and radio programs in order to gather inputs of not only NGOs but also ordinary citizens based on international experience.

Assessment of progress

Significant progress was acknowledged at the 18th Monitoring Meeting and some new activity has been undertaken since then. Given the focus on risk assessment and objectives set by international organisations, the preliminary works to develop the New Strategy and National Action Plan on Prevention of Corruption seem to go in the right direction towards evidence-based anti-corruption policies, although still at a very preliminary stage. Clear indicators on quality and timelines should be developed. The intention to include specific budget provisions for each measure established by the upcoming anti-corruption policy document is commendable, but no concrete measure has been taken so far and the entity of the foreseen budget has not been decided yet. The decision to develop evidence-based sectoral plans within the New National Action Plan is a positive though only initial step forward. The use of an “Electronic Monitoring System” seems an important improvement in the monitoring of implementation of the anti-corruption policy, although civil society is still not involved in the assessment. On June 28, 2017, the OGP Steering Committee extended Azerbaijan’s inactive status in OGP by one year, due to unresolved constraints on the operating environment for NGOs. The participation of civil society in the development of the new action plan is positive, although an effective role of NGOs is still prevented by the constraints imposed to them. The Azerbaijani authorities complain about a lack of cooperation from NGOs.

All the described actions are considered positively and with interest by the Secretariat, although still in such a preliminary stage that it is not possible to consider them a further progress yet. The

Azerbaijani authorities should take the necessary steps to create an effective cooperation with NGOs.

Lack of (further) Progress

20th Plenary Meeting, March 2019

Government report

1.1. On 5th December 2018, Open Government Partnership recognized the recent positive steps taken by the government of Azerbaijan in this field and issued further recommendations. OGP recommended preparation of a roadmap for the development of the 2019-21 OGP action plan in line with at least the minimum requirements outlined in the OGP Participation and Co-Creation Standards. This roadmap shall also include a timeline of key meetings for the OGP Forum, and the process for involving other stakeholders outside of the OGP Forum to participate in the co-creation of the action plan. Considering this CCC in close collaboration with OGP Azerbaijan Platform prepared a roadmap for the development process of the new Action Plan. This roadmap will be approved by OGP and it is planned to resume drafting process of the new Action Plan by June 2019.

1.2. This recommendation will be fully addressed in the new Action Plan.

1.3. The CCC is currently researching the experience of GRECO's member countries in this field. Head of Secretariat, Head of Azerbaijani Delegation to GRECO has made a request to all member states to submit information whether those countries have risk assessment system in place and if yes how risk assessment system is regulated. So far, 21 countries submitted their response. After full review of risk assessment system in GRECO countries, the CCC will issue recommendations and guidelines for local state bodies.

1.4. The CCC monitors implementation of the National Action Plan for 2016-2018 on Promotion of Open Government on a regular basis through newly developed "Electronic Monitoring System" (ems.gov.az). Monitoring showed that in 2018, 89% of measures envisaged in the Action Plan were implemented by state agencies. It is important to note that OGP Azerbaijan Platform and "Constitution Research Fund", using new E-monitoring system, made an independent assessment of National Action Plan for 2016-2018 on Promotion of Open Government and concluded that 81.72% of Action Plan was successfully implemented by state bodies. This high implementation rate by OGP Azerbaijan Platform once more showed the successful implementation of Action Plan.

1.5. New e-monitoring system allowed meaningful and open participation of civil society in anti-corruption monitoring of action plan. This experience is an innovative approach in the region such as NGOs have direct access to reports of all state bodies and have technological means to evaluate and review independently all the measures envisaged in the Action Plan. Furthermore, new roadmap for the preparation of new action plan includes detailed and specific timeline of key meetings for the OGP Forum, and the process for involving NGOs and also other stakeholders outside of the OGP Forum to participate in the co-creation of the action plan.

CSO report

No submissions

Assessment of Progress

1.1. There appears to be no progress under this recommendation. Moreover, Azerbaijan reported earlier about its undertakings for implementation of this part of the recommendation, which seem to have aborted. In particular, previously Azerbaijan reported that Commission on Combating Corruption initiated drafting process of New Strategy and National Action Plan on Prevention of

Corruption in May 2018 with establishment of the two project teams: one to explore international experience, and the other to study national experience, conduct surveys and risk assessment. Both groups were due to finish drafting process by end of October 2018, with intention to hold public hearings of this draft in November – December of 2018. The experts previously commended the above-mentioned reported efforts but these seem to have been abandoned. Instead, currently Azerbaijan reports only on steps under OGP and that the work on development of the anti-corruption document will resume only in June 2019; this appears to indicate no clear vision and consistency, or lack of will to progress with evidence-based, result oriented anti-corruption strategic policy document.

1.2. No progress reported under this part of the recommendation. It is pending with assurances to be addressed in the future.

1.3. Azerbaijan since 2017 continues to report on various preparatory work or plans being made in order to introduce risk-assessment at the ministry/sector level; however, this needs to take speed if progress to be recognized. Moreover, no information in regards to publication of the sectoral action plans on their implementation reports is made available by Azerbaijan.

1.4. Azerbaijan continues to report on the use of the Electronic Monitoring System for tracking progress on implementation of the anti-corruption measures, this was the case in the previous progress update period – the system appears to be a good tool for this purpose but this effort was already acknowledged for previous ratings. However, Azerbaijan did not provide any further information on the plans announced in the 2017 Progress Update to commission surveys and independent research in order to measure impact of the anti-corruption measures, i.e. real effectiveness of the anti-corruption policy. In addition, the role of the civil society in monitoring is unclear.

1.5. The reported actions under this element of the recommendations are similarly to others above, and much like during the previous reporting periods, remain to be more plans. In practical terms involvement of civil society in monitoring, implementation and development of anti-corruption policy remains to be seen.

Azerbaijan is urged to take practical measures towards implementation of this recommendation. With the previous Action Plan having expired in 2018, Azerbaijan is left now without a strategic vision for anti-corruption reforms and measures. The civil society's involvement needs to take practical forms and impact of the previously implemented measures should be measured in order to ensure that the new policy and actions bring practical results and reduce corruption in the country. This goes in line with the recent drop in the TI perception, which also needs to be analysed in order to address what makes citizens believe the corruption has expanded.

Lack of Progress

Recommendation 2: Anti-corruption awareness raising and education

1. **Allocate resources for implementation of the measures of the Action Plan on awareness and reflect the budget it in the future Action Plan.**
2. **Implement awareness raising activities adapted for each target group.**
3. **Target awareness raising activities to the sectors most prone to corruption.**
4. **Define outcome indicators and measure the results of awareness raising activities to plan the next cycle of awareness raising.**

18th Monitoring Meeting, September 2017***Government report***

The CCC in cooperation with the Council of Europe organized two trainings for trainers on anti-corruption and ethics for the group of civil servants, academics, non-governmental organizations and independent experts. The trainees will become part of the pool of national trainers selected by the Commission on Combatting Corruption with an aim to increase the capacities of Azerbaijani government to organize future trainings on anti-corruption in the public sector for the civil service, education sector and civil society. During this event the future trainers benefited from exercises on pedagogical methods and key topics on anti-corruption prevention and enforcement measures through a series of theoretical and practical exercises.

Furthermore, they learned how these prevention and enforcement measures are related to the completion of the National Action Plan on Promotion of Open Government for 2016-2018. The first pilot training was held in Guba region. 25 people from different state bodies were given training by tot participants.

During the first half of 2017, the CCC has organized and delivered awareness-raising programs for university students in cooperation with Azerbaijan Anti-Corruption Academy and European Law Students' Association.

Furthermore, in order to deliver trainings and awareness-raising programs in more systemic way, CCC plans to draft new internal action plan on training and awareness raising program for the year of 2017-2018 in order to give trainings and deliver awareness-raising programs for different target groups including students.

Assessment of progress

Some limited steps have been taken by the government in this regard that can be considered progress; in particular, steps have been taken to raise awareness among students and to prepare potential trainers for next awareness raising activities. The other elements of the recommendation have not been reported on.

Progress**19th Monitoring Meeting, July 2018*****Government report***

2.1 As stated above this was discussed during the meeting of the Working Group and it is planned to include specific budget for each measure in upcoming anti-corruption policy document. Currently, none of the measures were left of because of budgetary constraints.

2.2 The CCC in cooperation with Azerbaijan Anti-Corruption Academy (AZACA) and Training Center of the ASAN Service organizes series of trainings on anti-corruption and ethical conduct standards, as well as mechanisms and techniques of combatting corruption and ensuring integrity and transparency and public control for civil servants and other topics.

During 2018, around 60 events, including 47 trainings and 5 transparency forums will be organized for different target groups, including civil servants, justice and law enforcement practitioners, private sector, students and other groups. More than 300 civil servants attended trainings held in various regions of the country organized till to June 2018.

Also, Academy of Justice of the Ministry of Justice held series of trainings on anti-corruption and ethical conduct standards, as well as conflict of interest rules for employees of the Ministry of Justice. For example, on October 2, 2017 a course on “Combating corruption” was held. On November 15, 2017 a course on “Implementation of Civil Service Act” was held for more than 20 staff members of first instance courts of Baku city. The course also included topics relevant to ethical conduct standards. Another courses and trainings on combatting corruption organized by the Academy of Justice included training for judicial officers on November 6, 2017; training for servants of healthcare institutions on November 13, 2017; training for staff of Judicial Expertise Centre on November 20, 2017 and others. More than 90 participants attended those events.

2.3 For the first time AZACA, with the financial support of CCC, prepared a “National Corruption Barometer” report compiled according to the methodology of Transparency International’s Global Corruption Barometer report. Aim of the survey was to identify most prone sectors to corruption and effectiveness of anti-corruption measures. More than 2500 citizens from different socio-economic groups participated in the survey that was carried out in six economic zones and three major cities of the country. The results of the survey were widely discussed by CCC and it is decided to take into account the results of it for preparation of new action plan.

2.4 For this purpose, CCC in cooperation with AZACA and ASAN Service, prepared annual action plan on awareness raising activities. Outcome indicators were defined to measure the results of awareness raising activities. CCC plans to institutionalize this process and conducts it regularly.

Assessment of progress

Progress was attested during last Monitoring Meeting and new concrete measures have been put in place. The decision to draft budgetary provisions for each measure of the new Action Plan is a step forward, although the amount of the allocated resources for awareness raising activities has yet to be determined. Training, forums and events organized by Azerbaijani authorities are a good advance in element 2 of the recommendation.

The drafting of a “National Corruption Barometer” report is an important progress in customizing the anti-corruption policies of the new action plan, although more effort should be put in developing special trainings for the sectors most prone to corruption (element 3). The creation of indicators measuring the outcome of awareness raising activities is an important improvement and their institutionalization would be highly welcome (element 4). Anyway, more information should be provided on the content of these indicators.

Significant Progress

20th Plenary Meeting, March 2019

Government report

2.1. New Action Plan will include specific budget for each measure. Furthermore, in the end of 2018, the CCC allocated budget for the full operation of Azerbaijan Anti-Corruption Academy (AZACA) and its new action plan for 2019.

2.2. Starting from January 2018 till today, the CCC in cooperation with Azerbaijan Anti-Corruption Academy (AZACA) organized 75 events, including trainings, transparency forums for more than 1700 people including different target groups, such as civil servants, justice and law enforcement practitioners, private sector, students and other groups. In 2019, in order to increase outreach of trainings and seminars, AZACA started to live stream in Facebook on anti-corruption topics. On 13th February 2019, Head of Secretariat of the CCC made a live stream on TI Corruption Perception Index and anti-corruption measures in this field. Livestream was viewed by 12 thousand people. Second livestream was delivered by AZACA trainers and topic was about corruption in private sector. During first quarter of 2019, AZACA delivered trainings for the employees of the State Examination Center and will deliver trainings for the representatives of State Migration Service, newly admitted members of Azerbaijani Bar Association and volunteers who are doing internships in state bodies.

2.3. Based on the result of a “National Corruption Barometer” which was compiled according to the methodology of Transparency International’s Global Corruption Barometer report, most prone sectors to corruption and effectiveness of anti-corruption measures were identified and discussed by the members of the CCC. Relevant measures have been prepared and included in the draft Action Plan. Furthermore, the CCC plans to do another survey in 2019.

2.4. Outcome indicators of awareness raising programs were discussed in AZACA and taken into account achieved results and shortcomings, new action plan was prepared by AZACA and financed by the CCC.

CSO report

No submissions.

Assessment of Progress

2.1. Progress on allocation of resources for implementation of the awareness raising measures in the future anti-corruption policy document is pending (see Recommendation 1). However, allocation of full funding to AZACA counts as progress as one of the functions of this Academy is in particular awareness raising.

2.2. Azerbaijan is reporting numerous awareness raising and anti-corruption educational measures, which are covering various target groups. In addition to trainings, other measures have been implemented – which is positively evaluated by the experts, as trainings usually target one group of potential “corruption actors” – the passive side, and less so the active side; they also leave out the broader public which should be aware of their rights and course of redress in various “corruption-related” situations.

2.3. Reported progress under this part of the recommendation is pending along with the future anti-corruption policy document (See recommendation 1).

2.4. In 2018, Azerbaijan reported on development of the outcome indicators and the experts expressed the need to learn more about these indicators; the experts would like to reiterate this interest in order to understand and access this innovation. In particular, it would be necessary to understand what the indicators are, how exactly they measure effectiveness – several examples would be sufficient for understanding purposes, also further information/examples of what were the results and

how they were taken into account to change, correct the next measures – would enable evaluating progress under this part of recommendation.

Progress

Recommendation 3: Anti-corruption policy coordination institution

- 1. Improve performance of the CCC by enhancing the statutory functions, capacity, skills, performance and visibility of the Secretariat; enhance its accountability, transparency and visibility.**
- 2. Consider revising the mandate and the composition of CCC to include open government issues.**

18th Monitoring Meeting, September 2017

Government report

1. Statute of CCC was amended with the Law dated April 14, 2017 and the CCC was given power to participate in formation of state policy, to coordinate work of state bodies and monitor the progress of state programs in the field of anti-money laundering and counter-terrorism financing. Furthermore, the CCC was given power to assess the implementation level of legislation, receive reports of law enforcement and state bodies and prepare suggestions in order to eliminate deficiencies in the field of AML/CFT. Furthermore, CCC has hired new staff and established new working group on AML/CFT. In case of need for drafting legislation and other purposes, civil servants from relevant state bodies are involved to the work of Secretariat. Secretariat of CCC regularly attends meetings of civil society organizations and participates at reporting conferences of ACD.
2. Executive Secretary of the CCC is recently appointed as the focal point for Open Government Partnership. The CCC is currently coordinating the work of state bodies in the field of OGP issues and reporting to OGP on the carried-out activities. As open government issues were related with transparency and anti-corruption mandate of the CCC, currently there is no need of change to mandate of the CCC.

Assessment of progress

According to the information provided by the Government of Azerbaijan, functions of the CCC have been expanded, additional staff was hired. CCC also now has access to the external expertise. Other steps in regard to improving capacity skills of CCC staff or its performance have not been reported. Visibility, accountability and transparency issues in part are addressed by the reported measures of CCC being involved in ACD outreach and other conferences. It also appears that the second element of this recommendation was addressed.

Significant Progress

19th Monitoring Meeting, July 2018

Government report

3.1 CCC has hired another staff for Secretariat who holds PhD degree in Law from Bremen University. Furthermore, Executive Secretary of CCC recently appointed as the head of Azerbaijan Delegation to GRECO.

Besides that, CCC, in order to carry out its functions regarding coordination of work of state bodies in the field of anti-money laundering and counter-terrorism financing, established new Working Group on AML/CFT. The work of WG is coordinated through Secretariat and Financial Monitoring Service.

3.2 This recommendation was addressed in previous progress report. Furthermore, it is important to note that CCC is also an active member of OGP Azerbaijan Platform supports its activities and regularly attends meetings of it.

Assessment of progress:

Significant progress was acknowledged during 2017 Monitoring Meeting. No additional steps seem to have been taken since then to address visibility, accountability and transparency of the CCC. The second part of the recommendation seems to have been sufficiently addressed in 2017 Progress Update.

Lack of (further) Progress

20th Plenary Meeting, March 2019

Government report

3.1. In order to increase the visibility of Secretariat of the CCC, Head of Secretariat made a live stream on Facebook and was viewed by 12 thousand people. This also increased accountability and transparency in the work of the CCC. The CCC plans to hold livestream regularly. Furthermore, more livestream and public events will be carried out within the activities of AZACA.

3.2. The CCC is fully authorized to work with Open Government issues. Current mandate allows the CCC to work with any organization and issue on transparency and open government. In addition to that, Head of Secretariat is National Focal Point for OGP and coordinates activities of all state bodies and NGOs in this field.

CSO report

No submissions

Assessment of Progress

3.1. Azerbaijan reports limited information concerning this part of the recommendation. It appears that since increase by two persons staff member reported in 2018, which was vital considering the widening of the scope of CCC's competencies to cover AML/CT, one more person was hired into the Secretariat and one action towards raising awareness was taken, there is little else on what to build positive assessment. And in particular, in the 4th round of monitoring it was concluded that performance of the CCC should be measured with:

(a) the number and quality of new initiatives (set up of the electronic monitoring mechanism could be considered one but Azerbaijan was already credited for this previously);

(b) produced analytical work (new anti-corruption policy document – the action plan is pending for over a year); and

(c) impact assessment (is continuously reported to be in the plans but have yet to materialise).

The above does not lead to further positive conclusions.

In regards to transparency – it appears that the website is mostly updated on AML/CT measures, it is not clear if reports of CCC made annually to the President, Parliament and Constitutional Court are made public and where – the experts could not find them on the website of the CCC. Further indicators suggested in the 4th round monitoring included – the number of meetings of the CCC, number of decisions taken by the CCC, trust of the population, etc. This information is not available for experts.

3.2. This part of the recommendation has been considered as sufficiently addressed previously and closed. No further assessment will be made under this element, unless there are indications of regress.

Progress under this recommendation has therefore been assessed based only on part 3.1. of the recommendation.

Progress (however limited)

CHAPTER 2: PREVENTION OF CORRUPTION

Recommendation 4: Integrity in the civil service

(valid from the Third Monitoring Round)

- 1. Develop rules and implement transparent and merit-based recruitment of senior and high level civil servants as part of the new Civil Service Code and enhancing the capacities of the Civil Service Commission to enforce it.**
- 2. Develop rules or common principles for transparent appointments to political positions.**
- 3. Ensure a more transparent, adequate and equal salary system in the public administration, comparable between administrative bodies and competitive in relation to comparable enterprises/organizations.**
- 4. Develop a network of ethics commissioners in public administration institutions.**
- 5. Compose a practical public service ethics training course offered regularly and mandatory to public officials.**
- 6. Ensure clear and comprehensive conflict of interest and ethics rules for civil servants and other public officials and a meaningful mechanism for their implementation are in place and vigorously implemented and enforced in practice.**
- 7. Ensure the necessary legal, regulatory and institutional basis to implement a system requiring public officials to submit asset declarations and to verify them is completed and implement the asset declarations system in practice without further delay.**

18th Monitoring Meeting, September 2017

Government report

1. In accordance with the amendments to the legislation dated 31 May 2017, recruitment to administrative positions of the civil service in the first category of state bodies – Apparatus of Ali Majlis (Parliament) of the Nakhchivan Autonomous Republic, Prosecutor General’s Office, Judicial Legal Council, Chamber of Accounts, and Ombudsman is based on competition. At the same time, the legislation has been amended and recruitment to the first-seventh class of administrative positions in the first-fifth category state bodies is applied competition, interview or internal interview based on the decision of the head of the state agency.
2. The draft Law “On political positions” has been prepared in accordance with the Section 2.4 of the Presidential Decree No. 206 dated July 8, 2014. That draft law envisages general principles

of holding political positions, status of persons holding political positions and other relevant issues.

3. Amount of salaries of civil servants in the Republic of Azerbaijan has been determined by the Presidential Decree No. 2934 dated July 9, 2008, and with the aim of strengthening of social protection of civil servants, salaries of civil servants have been increased in December 2013. Equal and adequate salary system for civil servants serving in the same positions in the same classification in state agencies of the same category has been established.
4. In each state agency persons responsible for ethical issues – ethics commissioners have been determined. Ethics commissioners ensure ethical conduct in state agency, give opinions and interpretation on ethical conduct rules, assess violation of ethical behavioral rules and conflict of interests, study the necessity and organize relevant trainings, summarize the practice. In order to ensure more effective examination of complaints of citizens on ethical conduct issues, contact details of ethics commissioners is published at the website of the State Examination Center (<http://dqmk.gov.az/aze/downloads/diger/EtikMuekiller.htm>). The Center regularly organizes trainings for ethics commissioners in order to increase their capacity and ensure environment for public discussion on ethical conduct rules.
5. In accordance with the Article 2.1.35 of the Charter of the State Examination Center of the Republic of Azerbaijan approved by the Decree of the President of the Republic of Azerbaijan dated April 11, 2016, main tasks of the Center also include implementation of awareness raising measures relevant to civil service and ethical conduct of civil servants. In the first half of 2017, the following awareness raising measures were implemented by the Center:

On February 28, 2017, a seminar on “Protection of whistleblowers” was held. The seminar was conducted by the State Examination Center in the framework of the project of “Capacity building in prevention and combating corruption in Azerbaijan” in cooperation with the Council of Europe / European Union Eastern Partnership Programme. The event was attended by civil servants holding offices at Apparatus of Ombudsman, Chamber of Accounts, Supreme Attestation Commission under the President of the Republic of Azerbaijan and central executive power bodies.

On April 17-19, 2017, training for trainers “On ethics issues for civil servants” was held. The training was organized jointly by the State Examination Center and the Commission on Combatting Corruption in the framework of the project of “Capacity building in prevention and combating corruption in Azerbaijan” in cooperation with the Council of Europe / European Union Eastern Partnership Programme. Topics such as “Goals and terminology”, “Introduction and history: ethics and good governance”, “Policy on combating corruption and awareness raising”, “International examples and policy of the Republic of Azerbaijan”, “Management of anti-corruption and integrity”, “Strategy of the Commission on Combating Corruption on public administration organizations” and others were covered.

On June 29, 2017, a training on “Ethical conduct in civil service” jointly organized by the Commission on Combating Corruption and the State Examination Center was held in Guba region. Representatives of local branches of the Ministries of Labor and Social Protection of Population, Energy, Agriculture, Finance, Youth and Sports, Education, Ecology and Natural Resources, the State Statistics Committee, State Committee on Property Issues, local executive authorities, NGOs, universities attended the training.

Moreover, along with the State Examination Center each state agency periodically organizes trainings on ethics conduct rules for its own staff.

6. In accordance with the Law “On ethical conduct rules for civil servants” dated May 31, 2007, the State Examination Center executes supervision over compliance with the ethical conduct

standards. In accordance with the Articles 2.1.30-2.1.35 of the Statute of the State Examination Center tasks of the Center in the field of supervision over the compliance with the ethical conduct standards include the following: receives, examines and summarizes complaints and information on violation of the provisions of the Code of Ethics of Civil Servants, issues recommendations and reports on this issue, forwards materials to the relevant authorities for further examination if grounds on violations are established, submits motions to relevant state bodies and public officials for elimination of violations of requirements of legislation on ethical conduct by civil servants, reports to the President of the Republic of Azerbaijan on this, implements awareness raising measures on civil service and ethical conduct of civil servants. Moreover, establishment of Sector on Ethical Issues within the Center is envisaged for strengthening the effectiveness of awareness-raising activities, improvement of mechanisms for the effective examination of applications on violations of ethical conduct standards.

7. The “Rules for submission of financial information by public officials” approved by the Law No. 945-IIQ dated June 24, 2005, defines forms of submitting financial information, public officials required to submit financial information, bodies collecting this information and the rules for verification of this information. In accordance with Article 4 of the same Law, the Cabinet of Ministers shall adopt form of the Declaration. Article 8.2 of the National Action Plan for the Promotion of the Open Government for 2016-2018, approved by the Decree of the President dated April 27, 2016, envisages implementation of relevant measures in this regard.

Assessment of progress

From the provided information, it appears that no progress was made to implement Recommendation 4. Azerbaijan has not provided new information in regards to the first four elements of the recommendation, as well as element 6 and 7. Reported activities and legislation predate the adoption of the 4th round monitoring report. In regards to remaining element 5 of the recommendation, while trainings have been organised for civil servants they are of ad hoc nature and are not in line with the spirit of recommendation, which calls for development, and implementation of the comprehensive mandatory course.

Lack of Progress

19th Monitoring Meeting, July 2018

Government report

4.1 The draft Civil Service Code has been prepared and submitted to relevant authorities for review.

4.2 The draft law on “Political positions” has been prepared and submitted to relevant authorities for review.

4.3 Since November 2016, the State Examination Center cooperates with Lithuanian State Secretariat, the Lithuanian Civil Service Department and the European Social Fund Agency within the framework of EU Twinning tool. The fourth component of the project is related to the salary system of civil servants. It is envisaged to arrange study visits to analyse the current situation, as well as the comparative analysis of the salary system in the public and private sectors, studying the experience of leading European countries in the field of civil service and preparation of proposals to existing national legislation. At present, consultations are conducted with Presidential Administration, the Ministry of Labor and Social Protection of Population and the Ministry of Finance.

Moreover, in accordance with the Presidential Decree dated February 5, 2018, a “Strategy for development of civil service in the Republic of Azerbaijan for 2019-2025” is being drafted. It is envisaged to include in the Strategy application of the competence model for increasing effectiveness

of institutional reforms, personnel policy, rotation, professionalism and efficiency of civil servants, ensuring continuous professional development of civil servants, as well as development of electronic civil service and establishment of a progressive motivation system for civil servants.

4.4 Ethics commissioner institution has been established in each state agency. Any citizen may apply to ethics commissioner or State Examination Center if the ethical conduct rules are violated towards him/her. Ethics commissioners build their work in close cooperation with the State Examination Center. Contact details of ethics commissioners are published at the website of the State Examination Center (www.dim.gov.az).

4.5 The State Examination Center implements awareness raising measures relevant to civil service and ethical conduct of civil servants. On October 9-10, 2017, training on “Combatting corruption” and “Ethics in civil service” was organized for civil servants in Ganja city. 54 civil servants attended the training organized in cooperation with the Commission on Combatting Corruption and ASAN Service within the framework of the EU project on enhancing skills in combatting corruption in Azerbaijan (<http://www.tqdk.gov.az/news/453/>). Moreover, on April 17, 2018, training for newly recruited civil servants was organized in cooperation with the Finland Institute of Public Administration within the framework of PADOS II project. Ethics in civil service issues were also covered during the training (<http://www.tqdk.gov.az/news/1459/>).

4.6 The Law “On ethical conduct rules for civil servants” dated May 31, 2007, regulates issues regarding conflict of interest and ethics rules. The State Examination Center executes supervision over compliance with the ethical conduct standards.

4.7 In accordance with the Law on “Rules for submission of financial information by public officials” the Cabinet of Ministers shall adopt form of the Declaration. This issue will be resolved after that. The National Action Plan for the Promotion of the Open Government for 2016-2018, also envisages implementation of relevant measures in this regard.

Assessment of progress

No progress was acknowledged in 2017. From the information provided it appears that draft legislation has been developed in order to implement elements 1-3 of the recommendation. Nevertheless, it has not been submitted to the Parliament yet, so no progress can be stated. The commitment of Azerbaijan within the framework of the EU Twinning tool is a good starting point to implement element 3, although so far no concrete steps have been taken. No relevant actions seem to have been undertaken to address elements 4-7.

Lack of Progress

20th Plenary Meeting, March 2019

Government report

4.1. “Strategy on the development of civil service in the Republic of Azerbaijan for 2019-2025” was approved by Decree No 739 of the President of the Republic of Azerbaijan dated November 23, 2018. The Strategy envisages application of competence model (merit-based) based on international practice in civil service for the purpose of increasing the effectiveness of work and professionalism of civil servants. The model to be applied shall determine not only formal demands for civil service positions, but also necessary competences for holding these positions, their measuring and evaluating mechanisms. It is intended in the Strategy the application of just competence model as main criterion during the evaluation of civil service activity and admission to civil service. A complex of assessment tools including test, practical task, interview and others should be developed for the purpose of

evaluations of necessary competences of citizens applying to civil service position. Therefore, proposals related to improvement of the activity of the State Examination Center have been drafted and submitted to the Government.

4.2. No amendments in the legislation have been adopted in this respect.

4.3. From November 2016 till January 2019, the State Examination Center within the EU Twinning Instrument implemented “Support to the Reforms of the Civil Service System in Azerbaijan” (AZ/15/ENP/OT/40) project in cooperation with the Lithuanian Government Secretariat, Lithuanian Civil Service Department and the European Social Fund Agency. The project envisaged the grouping of the civil service functions by the content of the functions, as well as the development of proposals on the application of the new grouping system to the civil service, the assessment of the civil servants' performance and the payment of their labor. The fourth component of the project was related to the system of civil servants' salaries and consultations on this component of the wage system were held with the Ministry of Labor and Social Protection of Population and the Ministry of Finance.

Depending on the results of assessment of service activity of civil servants envisaged in provision 8.7.1 of Activity Plan for the execution of “Strategy on the development of civil service in the Republic of Azerbaijan for 2019-2025” for 2019-2021, draft Law of the Republic of Azerbaijan “On system of salaries of civil servants” has been prepared by the Ministry of Labor and Social Protection of Population and agreed with the relevant bodies.

The purpose of the draft law is to regulate the labor payment system based on the provision of public servants with a decent standard of living, increasing the interest of public authorities in raising their service and competitiveness, and evaluating the civil servants' service performance.

Under the project, an equal and adequate salary system has been established for civil servants working in the same position at the same classification of state bodies.

4.4. Ethics commissioner institution has been established in each state agency and contact details of ethics commissioners are published at the website of the State Examination Center (www.dim.gov.az).

The SCE Center regularly conducts trainings for ethics commissioners in order to create conditions for public discussion on ethical behavior rules and to increase commissioners' knowledge on ethical issues.

Moreover, the Action Plan for 2019-2021 for the implementation of the “Strategy on the development of civil service in the Republic of Azerbaijan for 2019-2025” includes (Article 8.10.2) preparation of proposals for increasing the effectiveness of ethics commissioner's institution and work on this direction is ongoing.

4.5. One of the duties of the SCE is implementation of awareness raising measures on ethical behaviour for civil servants. The following awareness raising measures were implemented for civil servants in the II part of 2018:

On October 9-10, 2018, two-days training were held on the topics of “Combating Corruption” and “Ethics in civil service” in Ganja city. The training was organized within the framework of the EU and CoE project on “Increasing skills in the field of combating corruption and its prevention in Azerbaijan” in cooperation with Commission on Combating Corruption of the Republic of Azerbaijan and Ganja “ASAN Service” Centre. The issues such as combating corruption, integrity in civil service, ethical dilemmas, their solutions, main ethical principles to be followed by civil

servants, control of implementation of ethical conduct rules have been discussed. 54 civil servants participated in the training.

On October 25, 2018, training on “Application of ethical rules in civil service” was held in the Ministry of Energy of the Republic of Azerbaijan. 30 civil servants holding positions of head of division, head of sector and others attended the event.

On November 14, 2018, training on “Combating corruption and ethical conduct rules” was held for servants of State Committee for Family, Woman and Child Affairs by the employee of SCE.

On December 27, 2018, training on “Ethical rules in civil service and rules of assessment of service performance” was held in the Ministry of Energy of the Republic of Azerbaijan.

The SCE organized several other trainings on ethical conduct rules on request of various state agencies. Moreover, measures are implemented by the SCE for training of trainers in the field of ethical conduct. Currently, in order to ensure continuity of ethic trainings the SCE implement has sent requests to the relevant state agencies for determination of their needs in this respect.

4.6. The State Examination Center executes supervision over compliance with the ethical conduct standards. The SCE envisages establishing Sector on Ethical Issues in order to strengthen the effectiveness of awareness-raising activities, improve mechanisms for the effective examination of applications on violations of ethical conduct standards.

4.7. No amendments in the legislation have been adopted in this respect.

CSO report

No submissions.

Assessment of Progress

4.1. The experts welcome the adoption of the “Strategy on the development of civil service in the Republic of Azerbaijan for 2019-2025” in November 2018. It appears to aim at introducing necessary and positive changes, among others, into the system of recruitment into the civil service. However, it appears that these conceived innovations will not cover senior civil servants and high-level civil servants (i.e.: civil servants of categories 1-3). Further, it is not clear what happened with the draft Civil Service Code, which was reportedly being prepared earlier – in fact the draft was reported to have been finalized at the time of the 4th round of monitoring and then later during the progress update in July 2018. Evaluating the capacity of State Examination Center or any other institution to enforce these rules is premature and remains to be seen once the system is introduced through Civil Service Code and other regulations.

4.2. Azerbaijan reports no actions to progress on this part of the recommendation.

4.3. Azerbaijan reports preparation of the draft Law of the Republic of Azerbaijan “On system of salaries of civil servants” by the Ministry of Labor and Social Protection of Population and its agreement with the relevant bodies – this should reportedly help address this part of the recommendation. However, until the draft is being submitted to the Parliament, such development can only be noted but does not constitute progress.

4.4. Ethics commissioners have been appointed in all agencies already at the time of adoption of the 4th round of monitoring report, however, it was noted that there was no networking and uniformity across the civil service, as human resource managers or heads of internal security units were

performing these functions. Perhaps the new strategy will provide for networking opportunities and will ensure uniformity across civil service but it is not clear from any of the reported information.

4.5. This part of the recommendation has required development of a practical comprehensive training course on ethics for public servants; this foresees either a standard course for all civil servants or standardised core of such course with perhaps some supplementary components for specific institutions or categories of civil servants. All public officials would then be obliged to undertake such course at regular intervals, in order to ensure that they refresh their knowledge and update it. This would require that one institution take the lead in development and perhaps even administering such a course – for example, State Examination Center (SEC) seems like a logical choice. It could involve other institutions in its development – to ensure it is practical and to develop tailor-made components; the other institutions can be also involved through for example delegation of trainers or could deliver the course once they pass “certification” from SEC – i.e. undergo the training course. All the above would help Azerbaijan meet the requirements of this part of the recommendation. Instead, in practice currently in Azerbaijan, it appears that various training courses (not standardised) on ethics and other anti-corruption issues are developed and organized by different state institutions and sometimes with assistance of internationals – which is good but does not replace a comprehensive course. The undergoing of these ethical trainings seems not to be obligatory – i.e. not all employees of the Ministry of Energy of the Republic of Azerbaijan for example have undergone ethics training – in general, cumulatively the number of persons trained according to information provided by Azerbaijan nowhere near constitutes all public officials. Finally, it does not appear that there is any requirement for each civil servant to undergo such training with any regularity.

4.6. No changes to conflict of interest and ethics rules for civil servants and other public officials have been reported. How enforcement of conflict of interests and ethics rules is done in practical terms is unclear. Information on who exactly is responsible, what the mechanisms of reporting, preventing and verifying of these violations are in place and how they function, what the statistics of actual practical implementation is – is necessary to establish progress under this part of the recommendation.

4.7. Azerbaijan reports no actions to progress on this part of the recommendation.

Lack of progress

Recommendation 5: Institutional framework for civil service, asset declarations, ethics commissioners

- 1. Ensure continuity of functions of the abolished CSC to maintain institutional set up for unified civil service state policy.**
- 2. Develop without further delay the necessary form for asset declaration to ensure implementation of asset declarations in practice.**
- 3. Consider establishing full time staffing positions for independent ethics commissioners with reporting obligation to the civil service oversight body.**

18th Monitoring Meeting, September 2017

Government report

1. Most of the functions of the abolished the Civil Service Commission under the President of the

Republic of Azerbaijan in the field of civil service were transferred to the State Examination Center of the Republic of Azerbaijan. In accordance with the amendments to the legislation dated August 9, 2016, the Center participates in formulation of civil service policy and is responsible for management of civil service in the country.

2. The “Rules for submission of financial information by public officials” approved by the Law No. 945-IIQ dated June 24, 2005, defines forms of submitting financial information, public officials required to submit financial information, bodies collecting this information and the rules for verification of this information. In accordance with Article 4 of the same Law, the Cabinet of Ministers shall adopt form of the Declaration. Article 8.2 of the National Action Plan for the Promotion of the Open Government for 2016-2018, approved by the Decree of the President dated April 27, 2016, envisages implementation of relevant measures in this regard.
3. Currently establishment of full time staffing positions for independent ethics commissioners with reporting obligation to the State Examination Center is under consideration taking into account financial resources.

Assessment of progress

According to the provided information, steps have been taken towards implementation of two elements of the Recommendation 5 (first and third), while second element of the recommendation, which relates to putting asset declarations into practice remains to be unaddressed.

Progress

19th Monitoring Meeting, July 2018

Government report

5.1 This recommendation was addressed in previous progress report.

5.2 In accordance with the Law on “Rules for submission of financial information by public officials” the Cabinet of Ministers shall adopt form of the Declaration. This issue will be resolved after that. The National Action Plan for the Promotion of the Open Government for 2016-2018, also envisages implementation of relevant measures in this regard.

5.3 Establishment of full time staffing positions for independent ethics commissioners requires amendments in the legislation and currently this issue is under consideration.

Assessment of progress

Progress was observed at the 18th Monitoring Meeting. No further relevant steps have been taken since then.

Lack of (further) Progress

20th Plenary Meeting, March 2019

Government report

5.1. This recommendation was addressed in previous progress reports.

5.2. No amendments in the legislation have been adopted in this respect.

5.3. Currently the SCE is assessing possibilities of establishment of full time staffing positions for independent ethics commissioners in state bodies taking into account availability of financial resources.

CSO report

No submissions.

Assessment of Progress

5.1. Progress under this element of the Recommendation is not being assessed since 2017.

5.2. Azerbaijan reports no actions to progress on this part of the recommendation.

5.3. Azerbaijan reported the same information in regards to considerations taking place both in 2017 and 2018, and now in 2019 with no outcomes.

Ethics commissioners is included in the

Lack of progress

Recommendation 6: Integrity of public political officials

- 1. Adopt without delay the legislation ensuring legal separation of political and professional public service.**
- 2. Adopt without delay the Code of Conduct for MPs.**
- 3. Provide training and guidance on ethics and conflict of interests.**
- 4. Ensure strong monitoring, enforcement and sanction mechanisms and enforce the rules in practice.**

18th Monitoring Meeting, September 2017

Government report

1. Article 14 of the Law “On civil service” establishes the legal status of the civil servant and distinguishes it from persons holding political office. In accordance with the Article 10.4 of the law that law does not apply to public political officials, status of which is defined by other legislative acts. In this regard, the draft law on “Political positions” has been prepared and its adoption is planned.
2. In June 30, 2017, the draft Law “On rules of ethical conduct of the Members of the MilliMajlis” has been discussed in sessions of the Parliament, and it has been approved in the third reading. In accordance with the Articles 97 and 110 of the Constitution the Law was signed by the President on June 30, 2017. On August 7, 2017, the President signed a Decree on application of this law.
3. Books, methodological guidance and training modules on ethical behavior have been developed by the State Examination Center. The training module on ethical conduct in civil service includes workbook for trainers, training programs for half a day, one and two days for civil servants, presentation on rules of ethical conduct and practical exercises. A book titled “Ethics in civil service” was prepared and published. The book includes ethical concepts, the importance of ethical conduct in civil service, ethical dilemmas that civil servants may encounter, the principles

set out in the legislation, ethical behavioral rules, ethics commissioners, acceptance of gifts and other topics. The book was disseminated to all central and local executive, as well as judicial authorities. An online training course on “Ethics and prevention of corruption civil service” was developed to better conduct ethical behavior and anti-corruption awareness and cover more civil servants. The online training course covers theoretical information, video and animation, tests. Training course includes following modules: “General concepts”, “Ethics dilemma concept and groups. Ethical dilemmas and solutions. Cases of corruption violations and their solutions”, “Ensuring compliance with ethical conduct in public authorities and tools for enhancing ethical culture. Methods and tools for combating corruption”, “Legislation on ethical conduct in civil service and on combatting corruption. Control mechanisms for ethical conduct and combatting corruption” and “Summary of lessons learned from the course”. The aim of the online training course is to teach theoretical and practical aspects of ethical conduct and anti-corruption issues, to improve and systematize existing knowledge in this area, and to involve a larger audience in training through the use of the information technologies.

4. In accordance with the newly adopted Law “On rules of ethical conduct of the Members of the Milli Majlis” Disciplinary Commission of the Parliament shall supervise enforcement of ethics conduct standards by MPs.

Assessment of progress

According to information provided by Azerbaijan, authorities some steps have been taken towards implementation of several elements of the recommendation. In particular, Code of Conduct for MPs has been adopted and Disciplinary Commission of the Parliament was designated as body, which will supervise enforcement of MPs ethical conduct. Two elements of the recommendation (1 and 3) appear to remain unaddressed. Legislation has not been changed and training and methodological guidance provided by the State Examination Centre relate to civil servants, not MPs.

Progress

19th Monitoring Meeting, July 2018

Government report

6.1 The draft law on “Political positions” has been prepared and submitted to relevant authorities for review.

6.2 This recommendation was addressed in previous progress report.

6.3 No information available.

6.4 This recommendation was addressed in previous progress report.

Assessment of progress

Good steps forward were acknowledged in the last progress update. Draft legislation regarding element 1 has been prepared but still lies in a very preliminary stage. No further relevant advances seem to have been made.

Lack of (further) Progress

Government report

6.1. No amendments in the legislation have been adopted in this respect.

6.2. This recommendation was addressed in the previous progress report.

6.3. As the monitoring team was informed during the previous progress update the Law “On rules of ethical conduct of the Members of the Milli Majlis” has been adopted on June 30, 2017. With the amendments to this Law from November 27, 2018, the Article 11 on prevention of conflict of interests has been enlarged and regulations on conflict of interests have been further elaborated. Moreover, newly introduced reading of the relevant provision provides definition of conflict of interests. The current reading of Article 11 is as following:

“Article 11. Prevention of conflict of interests

11.1. The MP should not allow conflict of interests during his/her term of office, use his/her powers in his/her interests, should not create conditions for his/her interests to influence his/her MP activities, should refrain from any action (inaction) be made in support of his/her activity in other areas after the term of office. The MP should be guided by principles of transparency and integrity during communication with any interested party.

11.2. In case of conflict between the interests of his/her duty and his/her interests, he/she should inform the Disciplinary Commission of the Milli Majlis about these interests and request the opinion of the Disciplinary Commission. According to the opinion of the Disciplinary Commission of the Milli Majlis, the MP should refrain from speaking or participating in the voting. The MP should always keep the public interest above its own interests in resolving conflict of interests. The opinion of the Disciplinary Commission of the Milli Majlis on the conflict of interests is published on the official website of the Milli Majlis.

11.3. Notwithstanding the requirements set out in Article 11.2 of this Law, regardless of the requirements established for the prevention of conflict of interests, the MP should disclose the interest which may arise in connection with the matter discussed before the meeting of the Milli Majlis, its committee and commission, or public debate, should inform the chairperson of the meeting in oral form. The disclosure of the MP on conflict of interests is included in the minutes of the meetings of the Milli Majlis and published on the official website of the Milli Majlis.

11.4. The MP should inform the public about the meeting with any interested party, including civil society representatives or others, during the norm-creating process, the theme of that meeting and his/her support. This information is kept in the Secretariat of the Milli Majlis in minutes. Opinions and proposals submitted during such meetings are published on the official website of the Milli Majlis.

Note: "Conflict of interests" in this article means the material and other benefits, privileges and concessions that may be gained by him/her, or his/her close relatives as well as situation which may affect the impartiality and objectivity of execution of authorities of that MP.”

6.4. This recommendation was addressed in the previous progress report.

CSO report

No submissions.

Assessment of Progress

6.1. Azerbaijan reports no actions to progress on this part of the recommendation.

6.2. Azerbaijan further improved previously adopted Code of Ethics for MPs, in particular in regards to provisions of the conflict of interest, with amendments adopted in November 2018.

6.3. Azerbaijan at the bilateral meetings provided clarifying and additional information on progress under this recommendation. In particular, Guidelines on ethical rules have been prepared with the use of international experience and on the base of the newly amended legislation and awareness; raising measures have been taken to compliment the Guidelines. Moreover, to ensure the continuity of the measures taken in this area the Action Plan for 2019-2020 has been prepared and approved with the participation of the Disciplinary Commission of the Milli Majlis of the Republic of Azerbaijan and relevant Committees. It contains numerous relevant measures for improvement of the work of the Disciplinary Commission of the Parliament, awareness raising on the ethical rules and further improvement and use of the Guidelines.

6.4. Designation of the Disciplinary Commission of the Parliament to supervise enforcement of ethics conduct standards by MPs was certainly one of the necessary steps towards ensuring monitoring enforcement and sanctioning of the ethics and conflict of interest rules. Information provided in this progress update under 6.3 in fact illustrates that the mechanism for enforcement of conflict of interest provisions was further expanded – in law – this is too very positive. All this however does not automatically address this part of the recommendation fully, as Commission’s mere establishment or regulation of the mechanism in the law does not demonstrate actual effective enforcement in practice. Information to support illustration of effective enforcement of these rules in practice would be necessary to establish that this part of the recommendation is being addressed properly. Such information as: how many complaints were received, instances of possible violations reviewed, the outcomes of such reviews, including applied sanctions by this Commission in the context of ethics and conflict of interests violations would need to be provided to the experts for establishing further progress.

Progress

Recommendation 7: Civil society participation in the Judicial-Legal Council

Amend the JLC Act so that representatives of civil society and academia may participate in the JLC as full members or, at a minimum, have a right to observe JLC meeting sessions.

18th Monitoring Meeting, September 2017

Government report

According to the Law “On the Judicial-Legal Council” cooperation with non-governmental organizations, academia and media has been identified as one of the rights of the Judicial-Legal Council (Article 12). All meetings of the Council are attended by the Public Union (Association) of Judges of Specialized Courts of the Republic of Azerbaijan, the Public Union (Association) of Judges of Courts of General Jurisdiction the Azerbaijan Republic and other non-governmental organizations.

Assessment of progress

No new actions have been reported by Azerbaijan authorities towards implementation of Recommendation 7.

Lack of Progress

19th Monitoring Meeting, July 2018

Government report

7.1 Representatives of the Public Union (Association) of Judges of Specialized Courts and the Public Union (Association) of Judges of Courts of General Jurisdiction and other non-governmental organizations regularly attend meetings of the JLC. Moreover, representatives of civil society and NGOs participate in the activities of the Selection Committee of Judges and recruitment process of judges. For example, numerous NGO representatives were actively involved in written exams of candidates to judges held in February 2017, as well as oral exams since April 2017.

Assessment of progress

No relevant actions seem to have been undertaken by Azerbaijan authorities. More information on the mentioned contributions of NGOs to the activity of the JLC should be provided.

Lack of Progress

20th Plenary Meeting, March 2019

Government report

7.1. As it was mentioned during the previous progress reports representatives of the Public Union (Association) of Judges of Specialized Courts of the Republic of Azerbaijan and the Public Union (Association) of Judges of Courts of General Jurisdiction the Azerbaijan Republic (which are NGOs) and other non-governmental organizations participate in all meetings of the Judicial-Legal Council. Members of the Council who are judge are elected among the candidates submitted by non-government organizations - associations of judges. NGO representatives are actively involved in the election process of judges. Both previous election processes and election process continued in 2018 of the candidates for judge have been observed by multiple NGO representatives. At the same time, currently the discussions are being conducted on the preparation of relevant draft law on the participation of the representatives of public unions at the meetings of JLC. For these purposes, the Apparatus of the JLC studies international experience in relevant field.

CSO report

No submissions.

Assessment of Progress

7.1. Judicial Legal Council Act has not been amended since adoption of the 4th round of monitoring report, the last three reports all attempt to open the recommendation for further discussion and renegotiation, which is not possible according to the monitoring methodology. However, the latest report states that legislative amendments towards this end are being discussed by the JLC – this is a positive development, however, at such early stages cannot constitute progress.

Lack of Progress

Recommendation 8: Judicial appointments

Ensure that objective and transparent criteria apply to judicial appointments to the Supreme Court and Court of Appeal to avoid undue political interference.

18th Monitoring Meeting, September 2017***Government report***

According to the Law “On Judicial-Legal Council”, submission of proposals to the relevant executive authority of the Republic of Azerbaijan on changing place of employment and promotion of all judges have been referred as an exclusive competence of the Council.

According to the Article 109 of the Constitution of the Republic of Azerbaijan, the President of the Republic submits to the Milli Majlis (Parliament) a motion on appointment of the judges of Supreme and Appeal courts, and appoints other judges.

Apparently, proposal of the President is dependent on proposal of the Council more than half of members of which are judges, so there can be no political interference in the appointment of the Supreme Court and Appeal courts judges.

According to the Article 13 of the Law “On Judicial-Legal Council” the assessment of the activities of judges is carried out. In addition to other goals established by the legislation, judges' performance assessment is carried out with the purpose of their possible promoting.

Within the framework of a current co-operation project with the European Union aimed at studying and implementing international best practices, development of a methodology for assessment of judges' performance that will ensure objective and transparent criteria for appointment of judges to higher courts is envisaged.

Assessment of progress

Information provided by Azerbaijan authorities in regards to implementation of Recommendation 8 was not sufficient for determining the rating under this Recommendation.

No rating**19th Monitoring Meeting, July 2018*****Government report***

8.1 In the framework of the ongoing EU co-operation project “On support to the development of justice system in Azerbaijan” JLC together with foreign experts drafted a project of “Methodology for assessment of judges' performance”. In November 2017, the draft project was discussed with participation of foreign experts, representatives of the Judicial Legal Council, the Ministry of Justice and judges. As a result of discussions it was decided to further develop the project taking into account current national legislation, practice and challenges faced in practice. Opinion 17(2014) of the Consultative Council of European Judges (CCJE) “On evaluation of judges' work, the quality of justice and respect for judicial independence” has also been taken into account while drafting the project. Currently the project is reviewed by Jose Manuel Cardozo - judge from Portugal for final opinion and proposals.

Assessment of progress

The information provided by Azerbaijan authorities shows no progress towards the implementation

of Recommendation 8. The cooperation with the EU on a reform of the judges' assessment system is commendable, although it is not clear how this is related to judicial appointments to the Supreme Court and Court of Appeal.

Lack of Progress

20th Plenary Meeting, March 2019

Government report

8.1. In accordance with the current legislation judges of the Supreme Court and Appeal courts are appointed by the Parliament based on a motion of the President of the Republic of Azerbaijan. The motion of the President is based on proposal of the JLC which has exclusive competence on proposing the change in place of employment and promotion of all judges and is composed of fifteen members out of whom more than half are judges.

In accordance with the Law of Judicial-Legal Council (Article 13) results of evaluation of performance of judge is taken into account in judge's promotion. As it was mentioned during the previous progress updates within the framework of the EU cooperation project "On support to the development of justice system in Azerbaijan" a project of "Methodology for assessment of judges' performance" which envisage evaluation of judges based on clear, objective and transparent criteria has been developed. The project was submitted to the review of the JLC.

CSO report

No submissions.

Assessment of Progress

8.1. The recommendation calls for objective and transparent criteria for appointment to Supreme Court and Court of Appeals. Azerbaijan firstly continues to provide references to the same legislation, which was in force at the time of adoption of the 4th round of monitoring report, and indicates that the status quo was maintained. Secondly, again reference is made to the work supported by EU. However, reported draft methodology on assessment of judicial performance seems to deal with performance evaluation of judges and not their appointment. The status of this work is not clear; it did not translate into draft legislation submitted to the parliament, for example, which could only be of relevance if only it dealt with criteria for appointment, etc.

For progress under this recommendation selection criteria should be adopted, i.e. the rules should be adopted on what the criteria are and how they can be clearly applied. These criteria should be made known to all interested parties, in particular, the participants of the process, to ensure that they understand what the requirements are and can follow their equal application.

Lack of progress

Recommendation 9: Appointment of Supreme Court Presidents

Amend the relevant legislation to require the Presidents of the Supreme Court and NAR Supreme Court be appointed upon the recommendation of the JLC based on objective, transparent criteria and process.

18th Monitoring Meeting, September 2017

Government report

In recent years, significant progress has been made to improve the functions and authorities of the Judicial-Legal Council as a self-governing body of the judiciary. In particular, according to the amendments to the Law “On Courts and Judges” dated October 20, 2015, the JLC has been entrusted with the authority to submit proposals for the appointment of all court presidents (excluding Presidents of the Supreme Court and Nakhchivan Autonomous Republic Supreme Court). Currently, analysis for strengthening powers of the JLC is conducted.

Assessment of progress

No new actions have been reported by Azerbaijan authorities towards implementation of Recommendation 9.

Lack of Progress

19th Monitoring Meeting, July 2018

Government report

9.1 Regular analyses for strengthening powers of the JLC and study of international best standards and practices in relevant field are conducted. Currently JLC is holding discussions on drafting a law that will envisage amendments to the procedures of appointment of Presidents of the Supreme Court and NAR Supreme Court them being appointed upon the recommendation of the JLC.

Assessment of progress

According to the information provided by Azerbaijan authorities, no relevant steps seem to have been taken.

Lack of Progress

20th Plenary Meeting, March 2019

Government report

9.1. In accordance with the current legislation all court presidents, including Presidents of the Supreme Court and Nakhchivan Autonomous Republic Supreme Court are elected among judges of respective courts. As all judges are appointed based on proposals of the JLC, consequently the Council participates in appointment of Presidents of the Supreme Court and Nakhchivan Autonomous Republic Supreme Court. Moreover, currently the JLC is studying international best practices in order to draft a law that will amend the procedures of appointment of Presidents of the Supreme Court and NAR Supreme Court them being appointed upon the recommendation of the JLC.

CSO report

No submissions.

Assessment of Progress

9.1. No legislative amendments into the relevant legislation, as was required in the recommendation, took place since adoption of the 4th round of monitoring report. Discussions on possible drafting of the law that would envisage amendments to the procedures of appointment of Presidents of the Supreme Court and NAR Supreme Court are being continued from the last progress update in July 2018 but have not yet resulted in any drafts, which could be accounted for progress.

Lack of progress

Recommendation 10: Judicial disciplinary body

Develop further the capacity of the Judicial Legal Council to consider, as a disciplinary body, allegations of judicial misconduct that denote a lack of integrity (such as interfering with another judge's decision in a case, engaging in commercial or political activity etc.).

18th Monitoring Meeting, September 2017

Government report

In 2011, within the Judicial-Legal Council a separate Sector to review corruption-related complaints was established aimed at a thorough and efficient examination of appeals. 32 judges have been subjected to disciplinary sanctions, authorities of 6 of them have been terminated pre-term, 4 have been demoted, and 7 have been transferred to another place of job.

Assessment of progress

Information provided by Azerbaijan authorities in regards to implementation of Recommendation 10 was not sufficient for determining the rating under this Recommendation.

No rating

19th Monitoring Meeting, July 2018

Government report

10.1) The Sector established in 2011 within the JLC reviews corruption-related complaints. Up to now 34 judges have been subjected to disciplinary sanctions, authorities of 7 of them have been terminated pre-term, 4 have been demoted, and 7 have been transferred to another place of job. In 2017, JLC assessed performance of more than 130 judges whose terms of offices ended. Authorities of 20 of them have been terminated including 7 court presidents; 6 court presidents and 8 judges of appeal courts have been demoted. Disciplinary sanctions have been applied to 12 judges, authorities of one judge have been terminated pre-term, and one judge has been suspended from office. In 2018 the JLC will assess performance of nearly 100 judges.

Assessment of progress

The figures provided by the Azerbaijan authorities are positive and show that some progress has been made. However, Azerbaijan should provide more information on what actions have been undertaken to strengthen JLC's capacity to consider allegations of judicial misconduct.

Progress

20th Plenary Meeting, March 2019

Government report

10.1. In 2018 the Judicial Legal Council continued its functions as a disciplinary body. The JLC assessed performance of more than 80 judges and court presidents whose terms of offices ended. 4 court presidents have been demoted, 6 judges were subjected to various disciplinary measures, 2 judges were dismissed from office, authorities of 14 judges have been terminated due to various

violations committed by them. 108 candidates have been appointed as judges following several stages of examinations and trainings.

In total, during the years of performance of the Council performance of hundreds of judges has been assessed, more than 230 judges have been subjected to various disciplinary sanctions, authorities of more than 100 judges have been terminated due to violations committed by them.

In 2019 the JLC will assess performance of more than 100 judges, including 22 judges of the Supreme Court, 38 judges of appeal courts and 42 judges of first instance courts.

The JLC continuously studies international best practices and experience in order to align its work with best standards.

CSO report

No submissions

Assessment of Progress

10.1. It appears that Azerbaijan provides information in regards to JLC exercising its disciplinary functions concerning all kinds of violations committed by judges. However, to evaluate progress under this recommendation further clarification was provided at the bilateral meetings in regards to what has been done in particular concerning consideration of allegations into “integrity violations” and how the capacity of JLC has been improved in this context. In particular, it was shared that a separate Sector within the Judicial-Legal Council, which was established to review corruption-related issues, has 3 staff members. Moreover, employees of the Secretariat of the JLC can also be involved in analytical work done by the Sector when needed. It was also reported that currently there is no methodology which the Sector is using (methodology on performance of judges mentioned before and which is in works is not relevant for this recommendation). In addition, information in regards to outcomes of the work of the Sector specifically on corruption related violations was provided. In particular, that 36 corruption-related violations have been reviewed and the following sanctions have been applied:

- Premature termination of authorities – 9
- Demotion - 4
- Change of place of work - 8
- Reprimand - 13
- Warning – 2

JLC also sent materials on those violations to the ACD for further review. As a result, during 2018-2019, the ACD initiated 3 criminal cases regarding judges (currently investigation is ongoing); one material is at preliminary examination stage; one judge and assistant judge has been arrested.

Based on this new information, experts acknowledge progress. However, they now look forward to development and adoption of the relevant methodology / procedure / rules on considering the disciplinary allegations (which will include corruption related allegations), which is not the same as methodology for the assessment of judges performance.

Progress

Recommendation 11: Asset declarations for judges

Require judges to annually declare assets, income, liabilities and interests to the JLC, and make the declarations publicly available.

18th Monitoring Meeting, September 2017

Government report

The issue will be resolved once the financial statement declaration form and the rules for submission are submitted in connection with the implementation of the Law “On approval of the rules for the submission of financial information by public officials”.

Assessment of progress

No new actions have been reported by Azerbaijan authorities towards implementation of Recommendation 11.

Lack of Progress

19th Monitoring Meeting, July 2018

Government report

11.1 In accordance with the Law on “Rules for submission of financial information by public officials” the Cabinet of Ministers shall adopt form of the Declaration. This issue will be resolved after that. The National Action Plan for the Promotion of the Open Government for 2016-2018, also envisages implementation of relevant measures in this regard.

Assessment of progress

From what has been reported by Azerbaijani authorities, no relevant actions seem to have been undertaken in order to implement Recommendation 11.

Lack of progress

20th Plenary Meeting, March 2019

Government report

11.1. The issue will be resolved once the financial statement declaration form and the rules for submission are submitted in connection with the implementation of the Law “On approval of the rules for the submission of financial information by public officials”.

CSO report

No submissions.

Assessment of Progress

11.1. Azerbaijan reports no actions to progress on this part of the recommendation.

Lack of progress

Recommendation 12: Ethics training for judges

Develop systematic training on ethical conduct and anticorruption standards for judges, paying special attention to the methodology of the training activities. Training should include topics such as conflict of interests, incompatible activities, financial disclosure requirements, gift policies, and reporting of corruption.

18th Monitoring Meeting, September 2017

Government report

Regular curriculum for judges includes a special course program on ethical conduct. This program is sent to all judges every year, and their desires to participate are taken into consideration.

If in 2015, in total 41 judges participated in courses covering ethical code of conduct, in 2016, in total 60 judges (10% of all judges in the country) participated those courses.

The Academy of Justice in cooperation with other governmental and non-governmental organizations and international partners regularly organizes courses, trainings and seminars on ethical conduct and anti-corruption topics.

For example, on November 2-4, 2016 within the Programmatic Cooperation Framework project of COE/EU a training on “Governance and Organizational Development” was held. Judges of the first instance, appeal courts and the Supreme court, representatives of Prosecutor General’s Office, Judicial-Legal Council, Ministry of Justice, Bar Association and ASAN Service attended the training where issues such as governance ethics and management of justice, best practices of European Commission on judges and others were covered.

On November 18, 2016 a professional development course on topic of “National and international mechanisms in fighting corruption” was organized by the Academy of Justice. 15 judges of the first instance judges attended the course where curriculum included such topics as cooperation between the law enforcement agencies in combating corruption, legal qualification of corruption offenses, the fight against money laundering and financing terrorism, as well as ethical conduct of judges: national legislation and practice and others. Representatives of the Anti-Corruption Directorate and Financial Monitoring Service attended the course as lecturers.

On February 28, 2017, the Academy of Justice in cooperation with the Council of Europe organized a training course for judges on “Improving the effectiveness of administration in courts”. There course was attended by 21 judges that covered topics as national and international standards of ethical conduct (Code of Ethics for Judges, Bangalore Principles on Judicial Conduct) and quality of justice (assignment of cases and organization).

Moreover, the Academy of Justice within the Programmatic Cooperation Framework project of COE/EU organized a series of trainings for non-judicial staff of courts. More than 120 employees of first instance and appeal courts of Baku city and regions attended trainings held in October 2016, April and March 2017. Along with issues regarding increasing efficiency of justice, protection of human rights, standards of ethical behaviour were also covered in trainings.

In addition, in February-March 2017 the Academy of Justice within the Programmatic Cooperation Framework project of COE/EU organized a series of trainings that covered issues regarding organization of trainings, methodologies applied, performance assessment indicators and etc. Judges, representatives of Prosecutor General’s Office, Scientific-Educational Center of the Prosecutor

General's Office, Judicial-Legal Council, Ministry of Justice, Forensic Expertise Center of the Ministry of Justice, ASAN Service and other agencies attended trainings.

One year mandatory course for candidates for judges started in January 2017 at the Academy of Justice, also includes systematic trainings on deontology issues and anti-corruption standards.

The program of the course, has been developed taking into account the modern teaching methodology and international experience, and the special attention is paid to the necessary knowledge and professional training for the candidates to be judge. The course focuses on the protection of human rights, combating corruption, judicial ethics, drafting decisions, legislation updates and other relevant issues with the participation of influential international experts, and cultural programs to enhance the outlook of candidates.

Assessment of progress

Since the adoption of the 4th round of monitoring report Azerbaijan has undertaken considerable efforts towards implementation of the Recommendation 12, and in the short period of time since the adoption multiple trainings have been held with strong emphasis on the recommended points.

Significant progress

19th Monitoring Meeting, July 2018

Government report

12.1 One year mandatory course for more than 120 candidates for judges started in January 2017 at the Academy of Justice, also included systematic trainings on ethical conduct and anti-corruption standards. The course covered 46 training hours on topics such as theoretical aspects of ethical conduct, national and international standards of ethical conduct of judges, prevention of conflict of interest, role of ethic standards in combatting corruption and etc.

The Academy of Justice in cooperation with other governmental and non-governmental organizations and international partners regularly organizes courses, trainings and seminars on ethical conduct and anti-corruption.

Assessment of progress

Significant progress was acknowledged during the 18th Monitoring Meeting. The continuous activity of the Academy of Justice is seen positively and its cooperation with non-governmental organizations and international partners denote a change of culture. Nevertheless, better information should be given by Azerbaijan authorities on the methodology of the training activities and the topics they address.

Progress

20th Plenary Meeting, March 2019

Government report

12.1. Ethical conduct and anti-corruption standards themes were included in one year mandatory course for more than 100 candidates for judges. On December 21, 2018, 108 candidates who successfully completed course and passed all stages of examinations were appointed as judges of various courts.

Judges periodically attend courses, trainings and seminars on ethical conduct and anti-corruption standards organized by the Academy of Justice and governmental and non-governmental organizations. Moreover, the Academy provides ongoing in carrier training courses to judges based on their request. The Academy also conducts online trainings using information-communication technologies. Methodology of trainings include lectures, presentations, workshops on case scenarios, discussions and other methods for actively participation of attendees.

CSO report

No submissions.

Assessment of Progress

12.1. Azerbaijan’s continued efforts on ethical conduct and anti-corruption standards training for judicial candidates is very much welcomed and the experts are happy to see that this is now a standard and common practice. However, to fully meet the recommendation more will need to be done in terms of training of already sitting judges, similar model of regularly offered training on these topics should be made not only available but should become part of their regular curriculum for professional training (raising of their qualification levels). This would ensure that all judges old and new are well aware of these issues, know how to apply them and realise the consequences of their breaches.

Progress

Recommendation 13: Electronic case assignment system

Implement an electronic case assignment system nationally and ensure that the monthly analysis of the case assignment system identifies and addresses vulnerabilities in the system.

18th Monitoring Meeting, September 2017

Government report

Currently, a random case assignment system is implemented in accordance with the “Guidelines on conduct of clerical work in the courts of the Republic of Azerbaijan”.

The Decree of the President of the Republic of Azerbaijan “On establishment of the Electronic Judicial Information System” dated February 13, 2014 envisages the automated distribution of the cases among judges.

It is noteworthy that all necessary infrastructures for implementation of the “Electronic Judicial Information System” components, including electronic case assignment have been established in the newly built court buildings and complexes, and currently that system is operational in mentioned courts. Relevant measures for introducing electronic case assignment system nationally are currently implemented, and by the end of this year, the electronic court system will cover 60% of all country courts.

Assessment of progress

According to the provided information Azerbaijan is taking steps towards implementation of recommendation 13 and there are already courts which have the system being used in practice; once the system of electronic case assignment covers the planned 60 percent of the courts, progress will be considerable.

Progress

19th Monitoring Meeting, July 2018

Government report

13.1 During the reporting period works on enlargement of the electronic judicial information system (AZEMIS) has continued. The JLC also implements “The Court Pulse - Management Revolution” project as a part of AZEMIS electronic judicial information system. This project is a reporting module of the AZEMIS system and the main essence of the project is introduction of progressive electronic management in the judiciary (Intellectual Management). This system makes it possible to prepare various types of electronic analytical reports based on collected statistical data. Thus, the effectiveness of strategic management and planning in the judicial system is significantly increased, and the possibilities for making decisions on more extended information indicators are created. “The Court Pulse - Management Revolution” project was submitted to the CoE “Crystal scales of justice” competition and on October 27, 2017 this project was awarded with a Special Mention as the most progressive project in terms of introducing e-government in the judicial system.

Assessment of progress

Progress was observed in the last report and further important advances have been undertaken according to the new information reported by Azerbaijan authorities. Especially, the improvement of the electronic judicial information system (AZEMIS), allowing it to gather and report statistical data on the management of the judiciary, is a good step forwards towards identifying and addressing vulnerabilities in the judicial system.

Significant Progress

20th Plenary Meeting, March 2019

Government report

13.1. In accordance with the Presidential Decree “On establishment of the Electronic Judicial Information System” dated 13 February 2014 the automated distribution of the cases among judges is implemented in newly built court buildings and complexes. During the reporting period works on enlargement of the electronic judicial information system (AZEMIS), as well as implementation of “The Court Pulse - Management Revolution” project as a part of AZEMIS has been continued. In 2018, 3 new court buildings were opened. Within the project of modernization of justice infrastructure 16 new court buildings and complexes has been built till now and construction of 5 more complexes is ongoing. Currently the electronic judicial information system (AZEMIS) covers 60 % out of 111 existing courts in the country and work on enlarging the system is ongoing.

Another important step in this respect was adoption of legislation which envisages wider application of “Electronic Judicial Information System”. In accordance with the amendments to the Civil Procedure Code proceedings on civil cases and economic disputes should be conducted electronically. Those amendments also envisage electronic payment of state duty, circulation of court documents electronically. In addition to the mentioned, the “State Program on the development of the justice of Azerbaijan for 2019-2023” was approved by the Order of the President of the Republic of Azerbaijan dated December 18, 2018. This State Program also includes implementation of significant measures for enlargement of the application of “Electronic Judicial Information System”, as well as improvement of the legislation on conducting clerical work in the courts, application of electronic circulation of the documents by learning international practice, application of electronic management component to make electronic analytical and statistical reports. Currently, practical measures are being carried out for the execution of the said program.

CSO report

No submissions.

Assessment of Progress

13.1. Experts welcome Azerbaijan’s continued efforts in regards to further implementation of electronic case assignment system nationally and note that, as promised in 2017, Azerbaijan has now introduced this system in 60 per cent of its 111 courts throughout the country. This should be continued and all courts should eventually have such system in place and well functioning. Information on another element of this recommendation would need to be presented in the future to make assessment of the entire recommendation. In particular, now that the system is largely in place it would be important to know: (a) if analysis of the case assignments is performed, as it was planned on a monthly bases, (b) if it allows to identify vulnerabilities, and (c) if those identified vulnerabilities are then addressed in any way, i.e. result in any changes into the system or other changes.

Progress

Recommendation 14: Transparency of judicial decisions

Ensure that all courts’ websites contain up-to-date information on hearings and judgments.

18th Monitoring Meeting, September 2017

Government report

As a result of the amendments to the Law “On Courts and Judges” dated October 28, 2016, electronic dissemination of all judgments of appeal and cassation courts was envisaged. Also together those judgments, abolished or amended judgments of lower courts should also be disseminated. Moreover, legally enforced judgments of the first instance courts are disseminated by the methods established by the legislation. The Unique Justice Portal of the Republic of Azerbaijan (www.courts.gov.az) provides a separate section for each court and necessary conditions for publishing decisions. Currently measures on fully uploading of all judgments are ongoing.

Assessment of progress

According to the provided information most recommended information should be now publishable by law, and is now being introduced into practice. All court decisions are being uploaded now.

Significant progress

19th Monitoring Meeting, July 2018

Government report

14.1 Since the last progress update works on this direction has been continued. On October 20, 2017, the Law “On Courts and Judges” has been amended and in accordance with new amendments judgments of administrative-economic courts on economic disputes should also be disseminated electronically. This amendment further enhances electronic judiciary system and contributes to increase of transparency in judicial system.

Moreover, “Electronic Personal Cabinet” for the citizens has been created within the Unique Justice Portal of the Republic of Azerbaijan (www.courts.gov.az). Individuals registered through the Personal Cabinet can get acquainted with the materials of their case and the court decisions, which are confirmed by the electronic signature of the judge, and may submit electronic application to

courts. In addition, citizens are informed through the Personal Cabinet on execution of the court decision on their case.

Assessment of progress

Significant progress was acknowledged during the 18th Monitoring Meeting. Further steps have been taken amending the Law “On Courts and Judges” and allowing for electronically disseminating also judgments from administrative-economic courts on economic disputes.

Progress

20th Plenary Meeting, March 2019

Government report

14.1. During the reporting period work on further improvement of transparency of court proceedings has been continued. Significant step in this respect was adoption of amendments to the Law “On courts and judges”. In accordance with the recent amendments dated December 28, 2018, *all* decisions of courts should be electronically disseminated not later than one month after its adoption by anonymizing. This was done for the purpose of increasing transparency in the court system. Therefore electronic dissemination of *all* court decisions without exception will provide additional guarantees to the transparency in the court system. At the same time, “State Program on the development of the justice of Azerbaijan for 2019-2023” was approved by the Order of the President of the Republic of Azerbaijan on 18 December 2018. This State Program envisages implementation of necessary measures for the improvement of unified web-portal of court system where the court decisions are published, strengthening of personnel resources of the apparatus of courts for ensuring its high informativeness.

CSO report

No submissions.

Assessment of Progress

14.1. Experts commend the decision of Azerbaijan to provide in law for obligatory publication of all court decisions. It is an important step and once fully implemented would indisputably provide for greater transparency of the judicial system and its functioning. This leads to importance of full implementation of this decision. It has been adopted very recently and with time it would be possible to assess its actual full implementation and with it implementation of this recommendation. Currently, it appears that the unified judicial portal contains up to date information (including March 2019) on status of on-going cases at the adjudication stage, about hearings, and judicial judgments of those courts, which have been integrated into the electronic system. The experts assume that these are the same 60 per cent of courts as in the case of electronic case management system. Azerbaijan needs to ensure inclusion of all courts into this system to provide for full implementation of this recommendation.

Significant progress.

Recommendation 15: Anti-corruption policy for the judiciary

Conduct an analysis on the internal causes of the perception of corruption and lack of independence of the judiciary, carry out a risk assessment, and develop an anticorruption policy for the judiciary that encompasses greater efforts to prevent, detect and sanction corruption. This process should closely involve the Judicial-Legal Council, Commission on Combating Corruption, Anti-Corruption Department, other relevant state institutions, and relevant civil society organizations.

18th Monitoring Meeting, September 2017***Government report***

Within the framework of the judicial-legal reforms relevant legal and institutional measures have been implemented to combat corruption in judiciary.

According to the new legislation, appointment of judges for indefinite terms, evaluation of their performance by the independent body - the Judicial-Legal Council, as well as disciplinary proceedings have been determined based on democratic principles. In order to prevent corruption and increase transparency reception of citizens by judges has been prohibited, and all court judgments are published.

In 2011, within the Judicial-Legal Council a separate Sector to review corruption-related complaints was established aimed at a thorough and efficient examination of appeals. 32 judges have been subjected to disciplinary sanctions, authorities of 6 of them have been terminated pre-term, 4 have been demoted, and 7 have been transferred to another place of job.

Additionally, significant changes have been made to legislation regulating judicial activities, taking into account international practice in combating corruption. With recently adopted laws, the independence of the judiciary has been further strengthened, and its self-governing powers have been expanded. The prevention of interference with the activities of judges by the law "On Judicial-Legal Council" was delegated to the competence of the Council, the role of the Council in determination of authorities of judges, termination of their authorities, and in the determination of the court budget has been expanded, as well as reducing the salaries of the judges was prohibited by law.

Joint activities with the relevant bodies on implementation of a consistent anti-corruption measures in the judiciary are being continued.

Assessment of progress

No new actions have been reported by Azerbaijan authorities towards implementation of Recommendation 15.

Lack of Progress**19th Monitoring Meeting, July 2018*****Government report***

15.1 The Sector established in 2011 within the JLC reviews corruption-related complaints. Up to now 34 judges have been subjected to disciplinary sanctions, authorities of 7 of them have been terminated pre-term, 4 have been demoted, and 7 have been transferred to another place of job.

Assessment of progress

The secretariat wasn't provided with enough information to assess the progress made on

recommendation 15.

No Rating

20th Plenary Meeting, March 2019

Government report

15.1. In order to prevent corruption in judiciary both legislative and institutional measures are implemented on a regular basis. As components of anti-corruption policy in the judicial system analysis are being conducted for the determination of circumstances conducive to corruption, the legislation is being amended for the elimination of clauses that may allow grounds for corruption manifestations. These issues are regularly discussed at the meetings of Judicial-Legal Council, new initiatives are put forward, and the current legislation is improved by taking into account international standards and best practices. In order to achieve maximum effectiveness of the activity the mutual cooperation with the relevant state bodies is implemented. As one of such initiatives, radical amendments aiming to prevent undue delays in the court system were introduced to the Civil Procedure Code on December 28, 2018. Thus, exact periods of preparation meetings and hearings were determined, possibilities of postponement of hearings by judges were decreased. These are aimed for prevention of delays in review of cases, unreasonable extension of the period of case review during the court proceeding. As well as, a new form of court proceeding – simplified proceeding enabling the solution of disputes for small claims in a short time has been added to the Code for the purpose of the provision of effective and timely review of the cases.

At the same time, during the reporting period amendments to the Law on Judicial Legal Council were introduced (29 June 2018). Thus, the new amendments allow within the time framework from six month till two years a re-assessment of performance of judge whose performance had professional deficiencies.

One of the significant means of combating corruption in the court system is establishment of new modern court infrastructure. In this respect within the framework of joint project with the financial and technical support of the World Bank the court system is continuously modernized. Progressive information communication technologies are widely used in the newly constructed court buildings and complexes. These measures simplify the application opportunities for citizens, provide awareness and transparency. The new court buildings are separated to administrative and public zones so that the possibilities for communication between judges and other participants of proceedings outside the courtrooms are limited. Till now 16 such buildings were built and is operational, construction of five more is ongoing.

Moreover, since 2011, a separate Sector to review corruption-related complaints was established a within the Judicial-Legal Council. Till now more than 230 judges have been subjected to various disciplinary sanctions, authorities of more than 100 judges have been terminated due to violations committed by them.

Information on judges violating anti-corruption legislation is forwarded to the ACD for further review. Currently, the ACD conducts pre-trial investigation in respect of two judges.

At the same time, “State Program on the development of the justice of Azerbaijan for 2019-2023” approved by the Order of the President of the Republic of Azerbaijan on 18 December 2018 also envisage implementation of necessary measures for increasing transparency, cooperation with civil society institutions and awareness-raising measures.

CSO report

No submissions.

Assessment of Progress

15.1. Azerbaijan reports conducting analysis of causes for low perception of integrity in the judiciary and developing measures to address them. It appears that many of the measures reported by the government, such as e-solutions and modernisation of courts, publication of the decisions and other information on trials, etc. should help build more positive image of the judiciary. The experts positively note this and would like to learn if any specific anti-corruption plan/strategy/other policy document has been produced to streamline these measures. Experts also positively note involvement of the JLC and ACD in these processes and would be interested to know if civil society and CCC have also been involved in any of these efforts and in what way. The experts would be interested to know if assessment of the impact of the implemented measures has been conducted and if so, if public trust in the judiciary increased and perception of corruption decreased.

Finally, the experts further suggest to look into experiences of ACN and other countries (such as Croatia, Romania, etc.) to make use, for examples, of their surveys on corruption/integrity in the judiciary, in order to conduct proper assessment and develop a strategy, which should be done to comply with the recommendation.

Progress

Recommendation 16: Integrity in the public prosecution service

- 1. Provide safeguards in the legislation regarding the obligation of PG to report to the Parliament and to the President, so that reporting obligations do not include decisions to be taken by the prosecutors in ongoing investigations or prosecutions.**
- 2. Consider limiting the number of consecutive mandates of PG to two to preserve his/her independence, as well as of the Prosecution Office as a whole, in taking action in potentially sensitive corruption cases.**
- 3. Review, with the participation of the civil society, the recruitment process of the prosecutors, in order to ensure that the entire procedure follows the principles of transparency and uses objective and merit based criteria.**
- 4. Consider prohibiting former prosecutors from acting as a private lawyer or legal counsellor in cases which are being investigated or prosecuted by their former unit for a period of at least 2 years following the withdrawal from public service.**
- 5. Take necessary steps to make the legislation on asset disclosure operational and ensure that it is applied to prosecutors in practice.**
- 6. Continue providing training to all prosecutors on ethics and anticorruption standards that takes a practical approach and focuses on cases of concrete ethical dilemmas that prosecutors might have in their daily work.**
- 7. Develop a balanced communication policy with the relevant civil society organizations, the media and the public in order to create a discussion forum on the issues pertaining to the independence, integrity and effectiveness of the prosecutorial and judicial system and, more generally, to the effectiveness of the fight against corruption in Azerbaijan.**

18th Monitoring Meeting, September 2017

Government report

1. In order to fulfil requirements stemming from the recommendations adopted within the framework

of the IV Monitoring Round the “Action Plan of the Prosecutor General’s Office of the Republic of Azerbaijan on the implementation of the recommendations of the Report on the Republic of Azerbaijan adopted under the Fourth Monitoring Round of the Istanbul Action Plan of the Anti-Corruption Network for Eastern Europe and Central Asia of the Organization for Economic Co-operation and Development (OECD)” signed by the Prosecutor General on 28 April, 2017. In accordance with that Action Plan it is envisaged to take relevant measures to request the Constitutional Court of the Republic of Azerbaijan for interpretation of the relevant provisions of the Law “On the Prosecutor’s Office” that regulate reporting obligations of the Prosecutor General to the President and to the Parliament.

2. This issue was discussed at the Collegial Board of the Prosecutor General’s Office and it was decided that number of consecutive mandates of the Prosecutor General does not have any negative impacts on independence of the Prosecutor’s Office, therefore necessity of amendments to the current legislation regarding this issue has been refused.
3. Recruitment to the Prosecutor’s Office is composed of three stages (that includes test exams, written examination and oral interview stage) and is implemented in a transparent manner on competition-based system. Representatives of civil society, NGOs and academia usually participate in the first two stages of the examination. Moreover, implementation of relevant measures in the view of recommendation 16.3 is envisaged in the abovementioned Action Plan. To be more specific, the Action Plan contains preparation of proposals for improving provisions regulating the third – oral interview phase of recruitment process by determining the criteria applied to the performance of candidates during that stage, as well as involvement of civil society representatives into the composition of the interview commission or consideration of the possibility of the participation of them.
4. Currently national legislation does not contain provisions prohibiting former prosecutors from acting as a private lawyer or legal counsellor in cases which are being investigated or prosecuted by their former unit for a certain period following their withdrawal from public service. However, the Criminal Procedure Code (CPC) of the Republic of Azerbaijan provides concept of objection to the defence lawyer, representative of victim (private prosecutor), civil claimant, civil defendant, witness, investigator, prosecutor, judge and other participants of criminal proceedings (Article 107). Suspect or accused person, public or private prosecutor, victim, civil claimant, civil defendant, their legal representatives or representatives may object to the defence lawyer, representatives of victim, private prosecutor, civil claimant, civil defendant or witness at any stage of criminal proceedings. In accordance with the Article 114.4 of the CPC if there are doubts or other concerns about the competence or conscientiousness of the person appointed as a defence lawyer or representative, he/she shall be excluded from participation in criminal proceedings based on the the motion of the defendant or the person represented.

Moreover, discussion of the mentioned issue with possibility of amending legislation and preparation of proposals is provided in the relevant Action Plan for Prosecutor General’s Office.

5. The “Rules for submission of financial information by public officials” approved by the Law No. 945-IIQ dated June 24, 2005, defines forms of submitting financial information, public officials required to submit financial information, bodies collecting this information and the rules for verification of this information. In accordance with Article 4 of the same Law, the Cabinet of Ministers shall adopt form of the Declaration. Article 8.2 of the National Action Plan for the Promotion of the Open Government for 2016-2018, approved by the Decree of the President dated April 27, 2016, envisages implementation of relevant measures in this regard.
6. Standards of ethical conduct and anti-corruption are part of a one-year mandatory training offered to candidate prosecutors and of optional in-service training. In February to May 2017, the Scientific-Educational Centre of the Prosecutor General’s Office organized training courses for

newly recruited employees of the Prosecutor's Office. The courses were attended by 110 employees and topics such as requirements of Prosecutorial Code of Ethic Conduct, various aspects of pre-trial investigation of corruption offences, international cooperation and best practices in this field and other were covered during the courses.

7. In September 2016, Government-Civil Society Dialogue Platform on Promotion of the Open Government was established with the participation of government agencies and NGO representatives. Representatives from 9 state agencies and 31 civil society participant signed a Memorandum on establishment of the Platform. The Platform was established in the view of implementation of the National Action Plan for 2016-2018. The Anti-Corruption Directorate and Commission on Combating Corruption also participate in this platform as partners. Issues relevant to the implementation of the National Action Plan, as well as concerning increasing of transparency and integrity, promotion of open government principles and in general effectiveness of anti-corruption efforts are continuously discussed at the meetings of the Platform, following preparation of proposals, conducting studies and other activities. Moreover, the Anti-Corruption Directorate in cooperation with the Commission on Combating Corruption and civil society representatives quarterly organize joint press conferences where information about performance of the ACD is made public and questions of mass media are answered. Also officers of the Anti-Corruption Directorate and members of the Commission regularly attend programs of state and independent TV channels where they gave information about measures taken in the field of combating corruption in the country. Activity of the ACD usually attracts massive media coverage.

Assessment of progress

Azerbaijan authorities reported some steps taken towards implementation of certain elements of the Recommendation 16 (in regards to elements 2, 4, 6 and 7). The remainder of the elements appear to be unaddressed.

Progress

19th Monitoring Meeting, July 2018

Government report

16.1 In accordance with the Law "On amendments to the Prosecutor's Office Act" № 880-VQD dated 17 November 2017 Articles 43 and 44 of the POA have been introduced in new reading. Pursuant to new amendments, the Prosecutor General of the Republic of Azerbaijan informs the Parliament of the Republic of Azerbaijan and the Head of State of Azerbaijan – the President of the Republic of Azerbaijan on the activity of the Prosecutor's Office, except the cases under investigation. Thus, reporting obligations of the Prosecutor General do not include decisions to be taken by the prosecutors in ongoing investigations or prosecutions.

16.2 This recommendation was addressed in previous progress report.

16.5 In accordance with the Law on "Rules for submission of financial information by public officials" the Cabinet of Ministers shall adopt form of the Declaration. This issue will be resolved after that. The National Action Plan for the Promotion of the Open Government for 2016-2018, also envisages implementation of relevant measures in this regard.

16.6 Topics such as standards of ethical conduct and anti-corruption are included in trainings and courses organized by the Scientific-Educational Centre of the Prosecutor General's Office, as well as regular trainings held each Saturday in accordance with the Ordinance of the Prosecutor General. Moreover, employees of the ACD periodically attend conferences, trainings and other events on ethical conduct standards anti-corruption issues. For example, representatives of the Directorate participated at the 1stAmCham Conference on ethics and compliance held on December 6, 2017, as

well as training course on ethics in civil service organized within the framework of the EU and CoE Programmatic Cooperation Framework on 25th January 2018.

16.7 During the reporting period the Government-Civil Society Dialogue Platform on Promotion of the Open Government to which the ACD and CCC are also partners continued its work. NGOs participating in the Platform conducted monitoring of implementation status of various measures envisaged in the National Action Plan for 2016-2018, organized trainings and other events.

In January 2018, the Anti-Corruption Directorate organized a press conference in cooperation with the Commission on Combating Corruption and civil society representatives. Results of the annual performance of the ACD were discussed and questions of mass media are answered. In addition, since the last progress update representatives of the ACD attended various TV programs, seminars, discussions and other events sharing information on anti-corruption measures.

Assessment of progress

Progress was acknowledged during the 2017 Monitoring Meeting and further progress appears from the new information provided. In particular, the new wording of Articles 43 and 44 of the POA is an important improvement concerning element 1 of the recommendation. No further steps have been taken as regards elements 2-5. The same actions, which last year were considered a progress relating to elements 6 and 7, seem to be still ongoing.

Progress

20th Plenary Meeting, March 2019

Government report

16.1. As mentioned in the previous Progress Update the relevant provisions of the Prosecutor's Office Act were amended on November 17, 2017. Consequently, reporting obligations of the Prosecutor General to the Parliament and to the President do not include decisions to be taken by the prosecutors in ongoing investigations or prosecutions. Thus, this recommendation is fully addressed.

16.2. As Monitoring Team was informed in previous progress updates this recommendation was discussed at the highest level at the Collegial Board of the Prosecutor General's Office. The conclusion was that number of consecutive mandates of the Prosecutor General does not negatively affect independence of the Prosecutor's Office. Moreover, there are no obstacles for successful implementation of anti-corruption policy. Therefore there is no need in amending the relevant current legislation. As the recommendation required *considering* (emphasis added) amending the relevant legal framework it can be concluded that the recommendation is addressed.

16.3. On October 29, 2018, the Prosecutor General issued the Ordinance endorsing the "Rules for Competitive Filling of Vacant Positions in the Prosecutor's Office". The Rules provide in particular for competitive selection of prosecutorial staff, publication of vacancies, requirements for acceptance of documents and registration of candidates (with a possibility to apply online), the work of the Competition Commission. Civil society representatives, prominent lawyers and experts also can be involved in the composition of the Commission. In its also noteworthy that, since 2002, more than 60% of prosecutorial staff has been recruited through competition.

16.4. Current criminal procedural legislation does not envisage post-employment restrictions for prosecutors. However, the Criminal Procedure Code (CPC) provides institute of objection, which is applicable also for former prosecutors acting as a private lawyer or legal counsellor after leaving public service. If there are doubts or other concerns about the competence or conscientiousness of

the person appointed as a defence lawyer or representative, he/she shall be excluded from participation in criminal proceedings based on the the motion of the defendant or the person represented at any stage of criminal proceedings (Article 114.4 of the CPC). This is aimed at prevention of conflict of interest and guaranteeing impartiality of process.

16.5. In accordance with the Law on “Rules for submission of financial information by public officials” the Cabinet of Ministers shall adopt form of the Declaration. This issue will be resolved after that.

16.6. Topics such as standards of ethical conduct and anti-corruption are included in initial mandatory trainings for employees of the Prosecutor’s Office who are admitted to the service. In 2018, 86 newly recruited employees participated such mandatory trainings. These topics are also included in an ongoing in-career trainings.

16.7. During the reporting period the Anti-Corruption Directorate continued its work in this direction. In July 2018 and January 2019 the ACD in cooperation with the Commission on Combating Corruption and civil society representatives organized joint press conferences for mass media to inform public about results of performance of the ACD in respective time frame. Moreover, during the reporting period the ACD signed MoU with various public authorities, including State Customs Committee, State City-planning and Architecture Committee, Food Security Agency and others. During press conferences organized in the course of those events standing of corruption and effect of anti-corruption measures in repective fields were analyzed and presented to media.

CSO report

No submissions.

Assessment of Progress

16.1. Implementation of this part of the recommendation is no longer assessed since 2018, when it was closed.

16.2. Implementation of this part of the recommendation is no longer assessed since the recommendation requires that Azerbaijan “consider” and consideration took place, although regrettably with negative decision. This part of the recommendation is closed.

16.3. The experts positively note adoption of the “Rules for Competitive Filling of Vacant Positions in the Prosecutor’s Office” in October 2018 and recognize it as progress. Of course, the text of the Ordinance will need to be evaluated for real assessment at the time of the 5th round of monitoring to ensure that the concerns raised in the 4th round have been addressed fully. In addition, the experts welcome that Competition Commissions can now include representatives of civil society, other experts and academics – practice will need to be looked into, once this Ordinance has been in implementation for some time, to see if this happens in practice and brings any expected positive results to increase transparency of the hiring process.

16.4. Azerbaijan provides information in regards to current legislation, which has been in place at the time of issuance of this recommendation. However, early in 2017, Azerbaijan reported that consideration of this issue was foreseen in the “Action Plan of the Prosecutor General’s Office of the Republic of Azerbaijan on the implementation of the recommendations of the Report on the Republic of Azerbaijan adopted under the Fourth Monitoring Round of the Istanbul Action Plan of the Anti-Corruption Network for Eastern Europe and Central Asia of the Organization for Economic Cooperation and Development (OECD)”. The experts would therefore be interested to learn if planned discussions of the possibility to amend current legislation took place and about the outcomes of these discussions. This would help establish progress under this part of the recommendation.

16.5. Azerbaijan reports no actions to progress on this part of the recommendation. This has been the case since the adoption of this recommendation.

16.6. Experts note that Azerbaijan continues to include ethics and anti-corruption issues into the training of its prosecutors, which is positive, however, for assessment of the implementation of the full recommendation the experts would need to know more about such trainings. In particular, their content and format to establish if in fact they are of practical nature and use hypothetical or real cases of concrete ethical dilemmas that prosecutors might have in their daily work.

16.7. Regarding the communication policy as required under this part of the recommendation, it appears that some form of such communication policy with public, media and civil society has been adopted and implemented by Azerbaijan in parts concerning effectiveness of measures to fight against corruption. In particular, the press conferences of ACD and the functioning of the Government-Civil Society Dialogue Platform on Promotion of the Open Government through which NGOs are involved in monitoring of implementation status of various measures envisaged in the National Action Plan for 2016-2018. However, this part of recommendation is broader and encompassed issues pertaining to independence, integrity and effectiveness of the prosecutorial system overall, as well as that of judicial system. These issues still require proper addressing.

Progress albeit limited.

Recommendation 17: Access to information, defamation

(valid from the Third Monitoring Round)

- 1. Establish, under the authority of the Ombudsman, a working group involving non-governmental organizations and media, for monitoring, on a permanent basis, of the implementation of the Law on Access to Information. Conduct and publish periodical surveys to identify deficiencies in the Law or its improper implementation.**
- 2. Provide the Ombudsman with necessary resources in order to effectively perform its functions in the area of access to information.**
- 3. Organize a nation-wide awareness raising campaign aimed at dissemination of information on the right of access to information among different social groups.**
- 4. Take appropriate measures to decriminalize defamation and insult; introduce mechanisms avoiding improper use of civil law instruments for restricting activity of media.**

18th Monitoring Meeting, September 2017

Government report

1. As a result of the adoption of the Constitutional Law No. 163-IVQQD dated June 24, 2011 “On Amendments to the Constitutional Law of the Republic of Azerbaijan on the Human Rights Ombudsman of the Republic of Azerbaijan”, the Ombudsman has been authorized with powers to monitor implementation of the Law of the Republic of Azerbaijan “On Access to Information”. In this connection, the Ombudsman held a series of consultations and discussions with the representatives of relevant government agencies, NGOs and mass media aimed at implementation of tasks arising from the Law “On Access to Information”, cooperation of government agencies, NGOs and media, as well as combining efforts to implement the “National Action Plan for the Open Government for 2012-2015” has been recommended.
It is noteworthy that since 2003, an independent Council of Experts consisting representatives of NGOs is operating with the Ombudsman. Issues such as challenges in protection of human rights,

as well as challenges faced in the implementation of the Law “On Access to Information” are discussed at the meetings of that Council of Experts.

2. Sections 2.1 and 2.2 of the “National Action Plan for Promotion of the Open Government for 2016-2018” approved by the Presidential Decree dated 27 April 2017, envisage improvement of structure of Apparatus of the Ombudsman, as well as measures aimed at strengthening of the capacities of the Ombudsman in implementation of tasks arising from the requirements of the Law “On Access to Information”. The Ombudsman submitted to the Cabinet of Ministers (Government) and the Ministry of Finance written requests for the approval of the number of staff for the establishment of a new structural unit within the Apparatus and financing for the execution of its powers and requirements arising from the Constitution and Constitutional Law “On Human Rights Commissioner (Ombudsman)”.
3. Relevant state bodies in close cooperation with civil society have implemented comprehensive awareness-raising measures provided by the National Action Program on improvement of protection of human rights and freedoms in the Republic of Azerbaijan approved by the Presidential Decree dated December 27, 2011 to ensure more effective access to information and explanation of the legislation of the Republic of Azerbaijan on access to information.
In order to promote various aspects of the National Action Program and to discuss issues relevant to more effective implementation of the Program numerous conferences, seminars and trainings were held with relevant government agencies, lectures were delivered at schools and universities. At the same time public hearings were held in every district of the republic with the participation of representatives of local executive authorities and law enforcement bodies, municipalities, non-governmental organizations, media representatives and District Election Commissions in order to monitor the status of promotion and implementation of the National Action Program.
At the initiative of the Ombudsman, traditionally every year on the eve of the National Human Rights Day - June 18, the “Human Rights Month” is being held in our republic from May 18 to June 18. According to the Commissioner's request, numerous events were held by government agencies, city and district executive authorities on various topics during the month, with dozens of exhibitions and essay competitions organized, covering thousands of people.
On the occasion of the 10th of December - International Human Rights Day, with the initiative of the Ombudsman, every year, traditionally, “Rights for all” - journalistic articles, “Me and my rights” - children's drawings projects, and other awareness-raising activities are held in the capital and regions.
With the initiative of the Ombudsman a round table with the participation of relevant government agencies, international organizations and experts, local NGOs was organized to discuss the objectives set forth in the “National Action Plan on Promotion of the Open Government for 2012-2015” on facilitating access to information.
Along with this, a series of awareness-raising activities have been carried out by the employees of the regional centers of the Ombudsman to explain the legislation of the Republic of Azerbaijan on access to information in the regions.
Starting from October 2016, regional public hearings have been held in the Republic of Azerbaijan, covering all cities and regions of the country in order to promote the National Action Program.
Head of the Apparatus of the Ombudsman and a group of employees participated in experience exchange program in Germany within the framework of the Twinning Programme on strengthening the Ombudsman's institutional capacity implemented with the participation of partners from Germany and Poland.
4. Protection of the rights of journalists is one of the priorities in activities of the Ombudsman. Therefore, taking into account international practice the Commissioner has proposed application of alternative sanctioning methods to mass media representatives that violated the law.
Moreover, Article 1.2.7 of the National Action Program provides elaboration of proposals on improvement of legislation to decriminalize defamation. In this regard, the Azerbaijani Press Council has drafted a Law “On defamation” and submitted to the relevant authorities for review.

Assessment of progress

No new actions or actions which would directly aim to implement Recommendation 17 have been reported by Azerbaijan authorities.

Lack of Progress

19th Monitoring Meeting, July 2018

Government report

17.1 An independent Council of Experts consisting representatives of NGOs is operating with the Ombudsman since 2003. Challenges faced in the implementation of the Law “On Access to Information” are discussed at the meetings of that Council of Experts. In 2017, appeals received by the Ombudsman regarding access to information were analysed and answered.

17.2 Study and exchange of experience on effective access to information, discussions and suggestions on this issue have also been important. Within the Twinning project, training and seminars for staff of press services of governmental agencies on “Raising Awareness for Promotion of Right to Information” were held by international experts with the participation of partners from Germany, Poland, Greece and Portugal.

The relevant methodological seminars were organized by the experts of the EU member states to increase effectiveness of analysis and answering of information inquiries received by the Ombudsman. An appropriate concept was developed with the joint participation of experts from the European Union and staff of the Ombudsman Office to create a modern and effective Information Management System. In the events, the main principles and concepts of national and international legislation, experience of foreign countries, effective practices have been discussed.

17.3 At the initiative of the Ombudsman, traditionally every year on the eve of the National Human Rights Day - June 18, the “Human Rights Month” is being held in from May 18 to June 18. In 2017, series of events were held by government agencies, city and district executive authorities on various topics covering thousands of people. Along with this, a series of awareness-raising activities have been carried out by the employees of the regional centers of the Ombudsman to explain the legislation of the Republic of Azerbaijan on access to information in the regions.

17.4 A project of a Law “On defamation” has been drafted by the Azerbaijani Press Council and submitted to the relevant authorities for review.

Assessment of progress

According to the information provided by Azerbaijan authorities, no actions have been undertaken aiming at implementing elements 1 and 2 of Recommendation 17. The description of the awareness-raising activities concerning element 3 is too limited to allow the Secretariat to assess them. The draft Law “On defamation” is a commendable step but still at a very preliminary stage. However, a description of the content of the law would be necessary to assess progress.

Lack of Progress

20th Plenary Meeting, March 2019

Government report

17.1. In accordance with the Constitutional Law on Ombudsman it observes implementation of the Law on Access to Information. In 2003 An independent Council of Experts consisting representatives of NGOs has been established and is operating since then. This Council discusses questions arising in implementation of the relevant Law. During the reporting period the Ombudsman analyzed received applications on access to information, requested relevant public authorities and implemented other measures in order to answer applications. In 2018, the Ombudsman received 39 applications on access to information and those applications were analyzed and answered. During 2018 the Ombudsman largely cooperated with dynamic media structures. Special attention was paid to training of media representatives focusing on access to information and human rights, raising awareness on access to information and E-Government among journalists.

17.2. The relevant written requests have been submitted to the Cabinet of Ministers (Government) and the Ministry of Finance asking Ombudsman to be provided with additional financial and technical-material resources necessary for the execution of its functions. This was also discussed with the relevant Committees of the Parliament during discussions on the Law on State Budget.

17.3. Ombudsman in cooperation with various state agencies organized number of conferences, seminars, lectures and trainings on right to access information. At the initiative of the Ombudsman, traditionally every year on the eve of the National Human Rights Day - June 18, the “Human Rights Month” is being held in from May 18 to June 18.

17.4. During the reporting period the Ombudsman implemented several measures for protection of rights of journalists. The Ombudsman and members of the National Prevention Group on Prevention of Torture visited convicted journalists and examined their circumstances.

CSO report

No submissions.

Assessment of Progress

17.1. Experts note continued work of the independent Council of Experts in regards to access to information among other things. However, this Council existed at the time of the issuance of this recommendation and was not deemed sufficient. Instead, the recommendation required that a working group designated specifically to issues of monitoring the implementation of the Law on Access to Information be formed, and that such working group include non-governmental organizations and media, for monitoring, and that it perform its monitoring on a permanent basis. This Azerbaijan has not done this so far. Furthermore, Azerbaijan reports on review of the FOIA complaints by Ombudsman Office, which is positive and demonstrates that such complaints are being made and reviewed. However, the recommendation asked to conduct periodical surveys in order to identify deficiencies in the Law or its improper implementation and publish such surveys, which is different from Ombudsman performance of its regular functions and is something that needs to be done in addition and separately from these functions in order to constitute progress under this part of the recommendation.

17.2. The same information was provided to the experts in 2017 but does not seem to have brought any results. To demonstrate progress under this part of the recommendation Azerbaijan will need to provide information on actual allocation of the resources, etc.

17.3. Awareness raising activities reported by Azerbaijan are not directly relevant to the scope of the recommendation and do not represent a nation-wide campaign targeting different social groups, etc.

17.4. Azerbaijan no longer reports on the fate of the draft Law on Defamation. Instead it reports measures pertaining to rights of the journalists that have been imprisoned, which are good steps but do not address this part of recommendation, which asked that restriction of activity of media be made impossible through the improper use of civil law instruments. This on the backdrop of concerns expressed by some international organisations like Human Rights Watch and TI on continued suppression of civil society and investigative journalists raises concerns.¹

Lack of progress

Recommendation 18: Transparency in the public administration

- 1. Review the legislative framework of access to information to clarify and limit the exemptions and provide for a proportionality test to grant access unless withholding the information is justified by a legitimate interest that is greater than the right to know.**
- 2. Ensure wide access to information held by public authorities by implementing a presumption of openness;**
- 3. Publishing the information on-line in open data format ensuring access to high-interest datasets.**
- 4. Effectively enforce proactive publication of information.**
- 5. Continue institutional development and expanding services under one-stop shop “Asan Service”.**
- 6. Ensure an enabling environment for investigative journalism and media reporting on corruption.**

18th Monitoring Meeting, September 2017

Government report

1. No amendments to the legislation have been adopted in this regard.
2. & 3. In 2015 www.data.gov.az portal has been established by the Ministry of Communications as a part of the E-Government portal. Through www.data.gov.az portal, citizens can find, download and use the information created by various state institutions. In accordance with current legislation open information provided is regularly updated and improved. Currently 25 information is published in the portal, namely 8 information from the Ministry of Culture and Tourism, 7 from the Ministry of Transportation, Communications and High Technologies, 4 from the Ministry of Health, 1 from the Ministry of Justice, 4 from the State Customs Committee and 1 from the “Azersu” OSC. It is planned to improve normative and technical acts, integrate to the portal open information from state and non-state authorities, stimulate and promote open information by state and non-governmental organizations and other measures.
4. In order to ensure proactive publication of information www.e-gov.az Electronic Government portal has been established. Range of electronic services incorporated to the portal is continuously enlarging. Currently, 427 services rendered by 89 agencies, including 41 state agencies are integrated to the portal. Mobile versions of the portal have been established and are operational. During the reporting period several new services have been incorporated into the E-Gov portal. For example,

¹ Human Rights Watch, September 2018 <https://artsakhpress.am/eng/news/93516/human-rights-watch-azerbaijan-continues-crackdown-on-civil-society.html> and TI Eastern Europe & Central Asia: weak checks and balances threaten anti-corruption efforts, January 2019 https://www.transparency.org/news/feature/weak_checks_and_balances_threaten_anti_corruption_efforts_across_eastern_eu

electronic mortgage system provided by the Azerbaijan Mortgage Foundation, electronic applications by “Azersu” OSC (water supplier), provision of electronic references from the State Registry of Immovable Property provided by the State Committee on Property Issues, e-references on Seafarers Identity Document, “Social housing system” of the State Agency on Housing Construction, publication of initial information on the procedures and term of liquidation of a non-commercial legal entity and notification of creditors' demands and informing physical and legal persons about new rights and responsibilities arising from legal cases resulting from civil circulation provided by the Ministry of Justice and others.

5. Currently 11 “ASAN Service” Centers are operating in different regions of the country. Construction of 4 more Service Centers in regions of the country are currently ongoing and their opening will be ensured in 2017-2018. Currently 39 agencies render more than 250 public services through “ASAN Service” Centers. Novelties applied in the work of “ASAN Service” include “ASAN train” project which was launched in February 2017. Trains equipped with all necessary conditions travel to the regions of the country where currently there are not Service Centers and provide public services. In accordance with the Presidential Decree dated May 2016, “ASAN Communal” Centers have been established and these centers provide centralized management of utility services. Starting from January 2017 these Centers have been made operational and 45 services are rendered. Moreover, in accordance with the Presidential Decree dated June 9, 2016, “ASAN Index” has been created in order to evaluate performance of governmental agencies based on parameters of “ASAN Service index”. In October 2016, a methodology and “Rules on evaluation of public services” has been approved and it is expected that the first report will be published in September 2017.

In accordance with the Presidential Decree dated April 28, 2017, Monitoring Center on Labor Issues of the State Agency for Public Service and Social Innovations has been established for protection of labor rights of citizens and monitoring of labor relations.

Also, in accordance with the Presidential Decree dated June 1, 2016 “ASAN Visa” system has been established and its Statute has been approved in October 2016. This system provides simplification of visa procedures for foreigners visiting Azerbaijan, and issuance of electronic visa within 3 working days. Currently measures are implemented for further simplification of the system and reducing the timeframe for issuing e-visas to 3 hours.

Assessment of progress

Azerbaijan didn't report steps taken which would address element 1 and 6 of the recommendation. However, numerous steps have been reported in regards to implementation of the other elements of the recommendation, in particular to publication and availability of information held by the public institutions online. The number of institutions that do it has grown, along with various tools on how the information can be accessed and used by the citizens – all this contributing towards what was recommended. Similarly the “Asan services” have been further developed and expanded and concrete steps have been taken to this end.

Progress

19th Monitoring Meeting, July 2018

Government report

18.3 **www.data.e-gov.az** portal operated by the Data Processing Center of the Ministry of Transport, Communication and High Technologies provides information created by various state institutions. The portal was further improved in November 2017, new information was integrated into the portal, and total number of information has significantly increased (it was 25 during the past progress report). Currently more than 650 information provided by 42 state bodies in 19 categories is accessible through the portal.

18.4 **www.e-gov.az** Electronic Government portal ensures proactive publication of information. In 2017, 41 new electronic services were incorporated to the portal, and total number of e-services

reached 442. In 2017, 200 thousand new users registered at the portal, and total number of users reached 700 thousand. In 2017, more than 23 million applications to e-services were processed. The portal also ensures information exchange between state agencies. For example, for “Electronic Mortgage System” exchange of 16 information with 5 state agencies, for “Social housing system” of the State Agency on Housing Construction exchange of 7 information with 5 state agencies is conducted. Data Processing Center and E-Government Training Center of the Ministry of Transport, Communication and High Technologies periodically organize awareness raising campaigns, competitions, trainings and other events in capital city of Baku and regions of the country aimed at guarantying effective use of e-services by citizens.

18.5 During the reporting period number of “ASAN Service” Centers and services rendered through them has been further enlarged. Since the last monitoring meeting 2 new Service Centers have been constructed in Guba and Mingachevir regions of the country and are operational. Total number of Centers reached 13, 8 of them being in the regions and 5 in the capital city of Baku. This autumn 2 new Centers will be launched in the regions, and it is planned to start construction of 5 new Centers the next year. More than 21 million applications have been considered by “ASAN Service” Centers up to now.

In February 2017, Food Security Agency has been established in accordance with the Presidential Decree. This year services delivered by that Agency will be incorporated into “ASAN Service” Centers.

Moreover, on March 14, 2018, a Presidential Decree on “E-Government Development and Transition to Digital Government” was signed. In accordance with the Decree State Agency for Public Service and Social Innovations tasked with application of uniform approach and standards in the formulation, management and integration of state information resources and systems and speeding up the transition to digital government with the aim of full electronization of state services, analytic analysis of state information resources and creation of opportunities for use of public and private sector. With this aim “E-Government Development Center” public legal entity under the State Agency was established.

Assessment of progress

Under this recommendation, two major updates. Open data web portal (18.3) has been launched and datasets were uploaded in machine-readable format. It is recommended to consider uploading more high value datasets related to the budgetary figures, labour market, social welfare, education etc, as well as create feedback loop on the website to suggest needed datasets by users.

In the area of reducing redtape and corruption in public service delivery, progress also was made. One Stop Shops (Asan Service Centers) expanded its services offered to citizens. These are good steps, and progress has been acknowledged.

Progress was observed during last Monitoring Meeting and further progress results from the information provided by Azerbaijan authorities. The increase of information published on-line by state bodies is commendable and is considered a further confirmation of a proactive enforcement of the transparency policy (elements 3 and 4 of Recommendation 18). Nevertheless, it is recommended to provide some more details on which bodies publish information on the portal of the Data Processing Center and what kind of information is published. The Secretariat considers positively that the services provided by ASAN have been further developed and a new entity aiming at full digitalization of state services has been established (element 5). No further steps have been taken concerning elements 1, 2 and 6 of the recommendation.

Progress

Government report

18.1. In accordance with the Presidential Decree No 2199 “On relevant measures for improving favourable conditions for business and increasing indexes of the country in international rankings”, dated July 13, 2016, a Commission on Business environment and international rankings was established. The Commission includes 18 working groups in various dimensions, and one the working groups is the Working Group on Corruption and Transparency. The ACD is leading body of this working group and participates in the development and implementation of the relevant action plan. Issues raised under Recommendations 18.1, 18.2 and 18.6 have been proposed by the ACD to be included in the Action Plan and reviewed by relevant authorities. Currently discussions are ongoing.

18.2. Please, see the answer above.

18.3. During the reporting period website of the open data portal has been changed to www.opendata.az. Currently the portal provides 655 information provided by 42 state agencies. The Data Processing Center of the Ministry of Transport, Communication and High Technologies that operates the portal has also developed nearly 20 mobile applications using information provided in the portal.

18.4. Proactive publication of information is provided through www.e-gov.az Electronic Government portal. Currently this portal provides 450 e-services provided by 90 agencies 42 out of which are state agencies. Till now, the portal has received more than 93 million applications.

Moreover, on March 14, 2018, a Presidential Decree on “E-Government Development and Transition to Digital Government” was signed. In the view of implementation of this Decree “E-Government Development Center” public legal entity was established and started operation on November 12, 2018. This Center is an operator of the E-Government and aims at development of e-governance and transition to digital government, integration of state information resources and their effective management. Along with the E-Government portal this Center currently operates “ASAN Visa”, “ASAN Payment”, “ASAN Finance”, “ASAN Wi-fi” and many other digital projects.

18.5. During the reporting period institutional development of “ASAN Service” has been continued and range of services provided by the Agency has been expanded. In 2018, two more service centers have been opened in Imishli and Shaki regions of country and total number of centers reached 15. Construction of 5 more service centers is ongoing and it is planned that they will start operation in 2019. There are also two “ASAN Communal” service centers operating. During the reporting period range of public services delivered by the State Agency has also been broadened. Currently the Agency delivers 315 public services.

On January 17, 2019, the Presidential Decree on additional measures for improvement of the management in state agencies has been issued. In accordance with this Decree in Baku city public services listed in the Presidential Decree No 706, dated September 5, 2012 (list of public services that are delivered by state agencies at ASAN Service Centers), should be delivered *only* at ASAN Service Centers. In the regions of the country this is applicable in regions where there are ASAN Service Centers are operating. This Decree granted the Agency exclusive competence on delivery of certain range of public services. Moreover, the Agency was authorized to deliver consular services also.

As the monitoring team was informed during previous progress updates most of the services

delivered by Food Security Agency has also been incorporated into “ASAN Service” Centers.

Since the last monitoring report Service Centers received and reviewed more than 4 million applications from citizens. Total number of received applications is more than 27 million. In this period necessary measures have been implemented for continuous improvement of provided activity based on the level of citizen satisfaction. Opinion inquiries have been done in the manner envisaged in the “Rules of learning public opinion at State Agency for Public Service and Social Innovations under the President of the Republic of Azerbaijan” to determine the satisfaction level of citizens for services provided at the centers. 2.133.757 opinion inquiries have been taken from the applicants from July, 2018 to the current period. General satisfaction coefficient was 99.42% for services in 2018.

Moreover, Presidential Decree “On the relevant measures regarding the establishment of Electronic Registry of State Services” dated 11 September 2014 envisaged assessment of public services delivered by the Agency in accordance with “ASAN Index”. For this purposes “ASAN Index” has been created, a methodology and “Rules on evaluation of public services” has been approved. In 2017-2018 the State Agency assessed 353 public services delivered by 30 central executive bodies, 234 services delivered by 13 local executive bodies and 47 services delivered by 4 for legal entities providing utility service (in total 634 public services). Reports were published through State Services Registry and responsible authorities were issued with necessary recommendations to improve their performance.

Also, in accordance with the Presidential Decree dated April 28, 2017, Monitoring Center on Labor Issues of the State Agency for Public Service and Social Innovations has been established for protection of labor rights of citizens and monitoring of labor relations. During the reporting period the Monitoring Center conducted 43 monitorings in 29 of which violations were revealed. The Center forwarded materials on violation of legislation to the Ministry of Labor and Social Protection of Population and to the Prosecutor’s Office. Administrative and criminal liability was applied regarding those violations.

During the reporting period the State Agency for Public Service and Social Innovations implemented large-scale awareness raising measures through its “ASAN Radio” center, numerous social projects, social networks and “Asan Training Center”.

18.6. Please, see the answer to 18.1 above.

CSO report

No submissions.

Assessment of Progress

18.1. Reported actions under this part of the recommendation are positive developments but are still at the very preliminary stage to constitute progress under this part of the recommendation. The recommendation requires review of the legislative framework – i.e. draft legislation submitted to the Parliament would be necessary to demonstrate recognizable progress for the purposes of this exercise.

18.2. As above, these steps while positive do not yet demonstrate progress under this part of the recommendation.

18.3. Regarding publication of the information held by the public authorities in open data format, it appear that the only change taken place was the change of the portal. The number of information sets made available and the number of institutions providing this information remain almost the same – now 655 sets of information, as compared to previously reported 650, are made available by the same

42 state institutions. It is therefore not clear to the experts how further progress has been achieved in implementation of this part of the recommendation.

18.4. The new format (new portal) reported under Recommendation 18.3 might contribute to raising effectiveness of publication of information; this could be further discussed with Azerbaijan. The other reported steps are very much commendable but pertain more to providing of e-services rather than proactive publication of information held by public authorities and are complimentary under the recommendation 18.5 to the work of the ASAN centers.

18.5. Experts note and welcome further development of ASAN centers, they are number has been steadily growing, along with the number of services it is providing. Its outreach and geographical coverage has been consistently improving. These are consistent steps towards implementation of this part of the recommendation. Perhaps, it would make sense for Azerbaijan to start assessing effectiveness of the provided services and “customer satisfaction level” in order to help identify any weak elements and further improve them, but this is not within the scope of requirements of this particular recommendation.

18.6. Azerbaijan reports no actions to progress on this part of the recommendation.

Progress

Recommendation 19: Integrity in public procurement

- 1. Establish clear guidelines and responsibilities for the handling of procurement complaints.**
- 2. Establish clear guidelines and responsibilities for the handling of debarment.**
- 3. Introduce mandatory public reporting of all disclosable contract awards and their values per procurement agency, sector and procurement method.**
- 4. Develop an e-procurement platform and subsequently provide comprehensive training to public procurement officers in the handling of e-procurement.**
- 5. Develop and roll out regular and comprehensive training courses on all aspects of procurement for public sector procurement officers.**
- 6. Provide for civil society involvement in the monitoring of public procurement.**
- 7. Regularly update the standard tender documents and procurement guidelines to reflect the latest rules and regulations in public sector procurement.**
- 8. Ensure that the government procurement website is kept up to date and that all links are working.**

18th Monitoring Meeting, September 2017

Government report

1 &2. In accordance with the Section 4.1 of the Presidential Decree No. 888 dated 28.04.16 the Ministry of Economy has prepared a new draft Law “On public procurement” in line with international best standards and best practices. On 11.05.2017 the draft Law has been sent to the Ministry of Justice for opinion, as well as on 17.05.2017 to the Cabinet of Ministers for information. After receiving opinions of relevant governmental agencies the draft Law will be submitted to the government. At the same time, the Ministry of Economy is working on drafting guidelines on addressing public procurement complaints, as well as methodological guidelines for handling debarment. It is planned to be finalized by the end of this year.

3. Information on goods and services to be purchased by the Ministry of Economy and its structural

units is regularly published on the Ministry's website every year. Additionally, information on purchases planned to be implemented in 2017 is published on the www.tender.gov.az website at the beginning of this year. Procurement of goods (works and services) by the Ministry of Economy is carried out in accordance with the Law of the Republic of Azerbaijan “On public procurement” by establishing an equal competitive environment for all consignors (contractors) on the basis of competition and publicity and the results of such competitions are registered in the procurement contracts register (name of procurement agency, content, name of the winning organization and the price of the contract) for public disclosure on www.tender.gov.az.

4. Currently organizational and administrative measures relevant to the preparation of the electronic procurement platform are conducted. Development of modern organization of delivering public services, identification of key areas to be implemented in the integration of information systems, provision of electronic services are priorities for the Ministry of Economy. In the first half of 2017 important steps have been taken in the field of improvement and modernization of e-services provided by the Ministry, reduction of the number of official documents required. During this period 5 new electronic services were added to the “List of electronic services”, approved by the Decision of the Cabinet of Ministers of the Republic of Azerbaijan dated 24.11.11. Moreover, 2 electronic services were canceled in accordance with the Law of the Republic of Azerbaijan No 176-VQ dated March 15, 2016 “On Licenses and Permits”. At the same time, necessary administrative, technical and legal measures have been implemented in order to increase the number of e-services and relevant legal and procedural measures have been undertaken in order to integrate up to 70 new e-services into the E-Government portal this year.

5. The Ministry of Economy together with other relevant state agencies, civil society organizations and mass media representatives organized trainings on “Public procurement methods and conditions of their application” for public procurement officers, in Agdash, Absheron, Gobustan, Zardab, Gakh and Goranboy regions. About 300 employees participated in these events. At the same time, 5 awareness raising materials on procurement procedures for the procurement of goods (works, services) at central and local executive authorities purchased at the expense of public funds have been sent to the e-mail address of 690 procurement agencies. Implementation of comprehensive and regular training courses on electronic procurement, as well as all aspects of procurement for procurement officers is planned following the adoption of the new Law “On public procurement”.

6. The Ministry of Economy initiated co-operation with the Azerbaijan National Non-Governmental Organizations Forum in order to establish relevant councils or cooperation networks for the improvement of cooperation with civil society institutions and to involve civil society institutions, as well as non-governmental organizations. In the view of establishing Public-Cooperation Council within in the Ministry the draft Regulation of the Public Cooperation Council, the draft Order regulating the activities of the Public Cooperation Council, exemplary notice form on election of members of the Council has been prepared. At the same time rules for the election of members of the Council by civil society institutions has been adopted in accordance with the Law of the Republic of Azerbaijan “On public participation”.

During the reporting period necessary organizational and administrative measures have been implemented in order to ensure participation of civil society institutions in the monitoring of public procurement. In the first half of 2017, there was no appeal received from civil society organizations to participate in monitoring of public procurement.

7. & 8. Currently the government procurement website is operational (all links are working) and is constantly updated.

Assessment of progress

Some limited progress has been reported by Azerbaijan authorities in regards to regulation and

guidance in handling of complaints and debarment and most of it relates to draft legislation which would need to be adopted and put into practice, as well as looked into during the next round of monitoring to ensure that it indeed addresses 1 and 2 elements of the recommendation. Azerbaijan authorities did not provide information that would demonstrate progress under element 3, similarly steps taken towards development of the e-government do not relate to e-procurement and do not address element 4 of the recommendation, and therefore progress is still pending. Multiple measures have been reported in regards to training for public sector procurement officers and they represent significant progress in this area. Progress regarding involvement of the civil society would require more information for a meaningful conclusion. There appears to be progress on last two elements of the recommendation, however, information is currently available in Azerbaijan language only and should be also updated in English for participation of international bidders.

Progress

19th Monitoring Meeting, July 2018

Government report

19.1 In accordance with the Presidential Decree of 28.04.16 the Ministry of Economy has prepared a new draft Law “On public procurement” which was circulated among government agencies, as well as local offices of EBRD, Asian Development Bank and World Bank. After collecting opinions of relevant authorities the draft Law was submitted to the Cabinet of Ministers in August 2017. On 08.12.2017 the Cabinet of Ministers returned the draft Law to the Ministry of Economy for further development. Currently the Ministry is working on elaboration of the draft Law. Moreover, the Ministry of Economy is working on drafting guidelines on addressing public procurement complaints which will also be introduced after the adoption of the draft Law.

19.2 The Ministry of Economy is working on drafting methodological guidelines for handling debarment which will also be introduced after the adoption of the draft Law “On public procurement”.

19.3 In January 2017, the Ministry of Economy published information on purchases planned to be implemented in 2017 on the www.tender.gov.az website. The Ministry and its structural units regularly publish information on goods and services to be purchased by. Publicity of 18 purchase agreements was ensured in the second half of 2017.

19.4 The Ministry of Economy established a Working Group for development of e-procurement platform. The Working Group is studying international experience in relevant field. After the adoption of the Law on Public Procurement the e-procurement platform will be introduced.

19.5 During the second half of 2017, the State Service for Antimonopoly Policy and Consumer Rights Protection in cooperation with relevant state agencies, civil society and mass media organized 14 training courses on “Public procurement methods and conditions of their application” for employees of central and local executive authorities engaged in public procurement in six regions of the country, as well as in capital Baku. Moreover, 5 awareness raising materials on procurement procedures for the procurement of goods (works, services) at central and local executive authorities purchased at the expense of public funds have been sent to the e-mail address of nearly 690 procuring agencies. During the reporting period employees of the Public Procurement Division of the State Service attended seminars on e-procurement organized in Tbilisi, Georgia. The State Service is planning to organize comprehensive and regular training courses on e-procurement and other aspects of procurement after the adoption of the new Law on public procurement.

19.6 The Ministry of Economy cooperates with the Azerbaijan National Non-Governmental Organizations Forum for establishment of relevant councils or cooperation networks for the improvement of cooperation with civil society institutions and to involve civil society institutions, as

well as non-governmental organizations. In this regard the projects of Regulation of the Public Cooperation Council, Order regulating the activities of the Public Cooperation Council, exemplary notice form on election of members of the Council have been drafted. Also rules for the election of members of the Council by civil society institutions has been adopted in accordance with the Law “On public participation”.

During 2017, there was no appeal received from civil society organizations to participate in monitoring of public procurement.

19.7 After the adoption of the new Law “On Public Procurement”, the adaptation of the methodological recommendations reflecting the requirements of the legislation on public procurement will be ensured.

19.8 Currently the government procurement website is operational (all links are working) and is constantly updated.

Assessment of progress

Progress was attested in the 2017 report. No further relevant actions seem to have been undertaken in order to implement Recommendation 19. The new draft Law “On public procurement”, after having been circulated among government agencies, the EBRD, Asian Development Bank and World Bank for comments was returned to the Ministry of Economy and still lies in a preliminary stage of approval (element 2). Azerbaijan authorities continued providing public sector officers with training on public procurement, which is commendable and in line with last year’s progress (element 5). Concerning element 6, although reforms have been mentioned a description of the content of the new regulations would be necessary in order to assess their influence in the implementation of the recommendation. No further actions have been undertaken regarding elements 1, 3, 4, 7, and 8.

Lack of (further) Progress

20th Plenary Meeting, March 2019

Government report

19.1. As the Monitoring team was informed during previous Progress Updates the new Law on Public Procurement is in the process of elaboration. The Ministry of Economy has developed a new project of the Law which is has been submitted to the Cabinet of Ministers (the Government) for review. The project was drafted taking into account international standards and best practices. The draft law envisages further improvement of the mechanism of consideration of complaints and application of the “waiting period” for submitting complaints by consignors (contractors) which is an international practice. At the same time, the current Law on Public Procurement contains a separate chapter regarding complaints. This chapter is consistent with the same chapter of the UNCITRAL Model Law on Public Procurement. The relevant chapter of the current Law on Public Procurement clearly defines rights and obligations regarding review of complaints by consignors (contractors).

At the same time, the State Service for Antimonopoly Policy and Consumer Protection under the Ministry of Economy has drafted projects of Decisions of the Cabinet of Ministers on the “Code of Conduct of Officials involved in Public Procurement”, “On Approval of Methods for Calculation of Probable Prices of Goods (Works, Services)” and Draft resolutions of the Cabinet of Ministers of the Republic of Azerbaijan “On Approval of the Procedure for Evaluation of the Impact of the Grounds Under Article 422 of the Civil Code of the Republic of Azerbaijan” (Alteration and termination of

the contract in connection with the significant change of circumstances). Those drafts have been submitted to the Government for further review.

19.2. Please, see the answer to the question 19.1 above.

19.3. Information on goods and services to be purchased by the Ministry of Economy, as well as the bodies under its subordination and of which it is founder, legal entities of which management and holding shares are empowered to the Ministry is regularly published through the its website. The results of tenders held by the Ministry of Economy are placed on the registry of contracts on www.tender.gov.az webpage (by indicating the name of purchasing organization, subject of purchase contract, name of organization concluding purchase contract and the amount of the contract) regularly for the purpose of disclosure for public. Since July 2018 till the current period information on total 21 public procurement contracts has been published and disclosed to the public.

19.4. The current Law on Public Procurement was amended on December 28, 2018. New amendmends to the Law envisage implementation of electronic procurement platform. In accordance with new provisions unified registry of public procurement has been established and by Order No 15S dated January 10, 2019 of the Cabinet of Ministers the State Agency for Antimonopoly Policy and Supervision of the Consumer Market of the Republic of Azerbaijan was determined as a responsible authority. At the same time, Execution and Communication Plan was compiled up by “Working group of competition and effectiveness of commodity market” of Commission for business environment and international ratings, related to the execution of the Decree and was adopted on 08.01.2019. Responsible authorized person for the Ministry was appointed by the relevant order No F-13 dated 19.01.19 by the minister of economy for the purposes of the provision of the execution of the duties arising from the reforms related to state purchases in the shortest time, as well as implementation of the works in this field by coordinating with Commission for business environment and international ratings and corresponding state bodies and special working group was created within the Ministry related to these works. Currently works related to the execution of the tasks arising from the normative legal acts in question, as well as creation of unified internet portal of state purchases is continued by State Service for Antimonopoly Policy and Consumer Rights Protection under the Ministry of Economy. At the same time, the project of “Technical Task related to electronization of state purchases (e-tender)” and the draft order of the President of the Republic of Azerbaijan “On approval of “Regulation on unified internet portal of public procurement” have been prepared and submitted to the relevant bodies by the State Service for Antimonopoly Policy and Consumer Rights Protection under the Ministry of Economy.

19.5. Training courses have been organized in Baku and regions by State Service for Antimonopoly Policy and Consumer Rights Protection under the Ministry of Economy for the specialists of purchasing organizations for the purpose of explanation of the requirements of the Law of the Republic of Azerbaijan “On Public Procurement” and increasing the qualification level in the field of public procurement of the specialists involved to the organization of their purchase procedures, wide propagation of normative-legal documents adjusting purchases of purchasing organizations, operative answering the questions occurred in the organization and implementation of purchases of purchasing organizations and removal difficulties occurred in the compilation of final documents of contest procedures. At the same time, the training was held on 25.01.2019 on the topic of the application of electron procurement and economic reforms done in the field of public procurement at the Centre for Analysis of Economic Reforms and Communication. The presentation was held on the topic of “Economic reforms done in the field of public procurement” related to electronic procurement in the said training with the participation of mass media. Furthermore, the training was organized on the topic of “Economic reforms done in the field of public procurement” related to electronicprocurement for the representatives of non-governmental organizations on 30.01.2019.

Moreover, since the last reporting period the Ministry of Economy organized trainings on anti-corruption issues for its employees, public procurement officers and other civil servants. These

include training such as “The role of e-services in the development of society, and as a measure in prevention of corruption”, “Duties of civil servants in prevention of conflict of interest and their responsibility for violations in this respect”, “Ethical conduct standards, principles and their implementation”, “Mechanisms and methods of prevention of corruption violations”, “Corruption in public procurement and its prevention”, “Prevention of corruption in relations with the private sector” and etc. More than 150 civil servants attended those trainings.

19.6. During the second half of 2018 the Ministry of Economy did not receive applications from the civil society on participation in the monitoring of public procurement processes. However, regular meetings have been held with the representatives of “Transparency Azerbaijan”, “Constitutional Research Foundation” and more than 20 other civil society institutions, as well as Azerbaijan National Non-Governmental Organizations Forum for the purpose of developing the cooperation with civil society institutions, the representatives of the Ministry of Economy have participated actively in the events organized by them. Furthermore, the initiative of signing “Memorandum of Understanding on cooperation in the framework of public participation and propagation of open government principles between the Ministry of Economy of the Republic of Azerbaijan and State Support Council for Non-Governmental Organizations under the President of the Republic of Azerbaijan” has been proposed by the Ministry of Economy as a priority determination form of support for initiatives and projects of non-governmental organizations. The project of Memorandum of Understanding has been agreed with State Support Council for Non-Governmental Organizations under the President of the Republic of Azerbaijan, necessary organizational-legal measures have been done, related to this Order No F-02 dated 04.01.19 was issued by the Minister of Economy.

19.7. The Ministry's functional directions of activity include more accurate and up-to-date organization of state services in accordance with the requirements of the period, identification of key areas to be implemented in the integration of information systems, provision of certain services only electronically, saving financial and time resources, at the same time achieving citizen satisfaction in this direction are the main priorities.

In addition, the new draft law “On Public Procurement” prepared by the Ministry of Economy on the basis of advanced international experience is at the stage of coordination with other relevant government agencies. Once this project has been approved, development of methodological recommendations will be provided in accordance with the new law.

19.8. The State Service for Antimonopoly Policy and Consumer Protection under the Ministry of Economy is currently working on the drafting and approval of the necessary normative-legal documents on changes in legislation regulating public procurement. At present www.tender.gov.az website (government procurement website) is operational and normative acts regulating public procurement are placed on this page and are unrestricted. At the same time, this website is regularly updated and all links are working.

CSO report

No submissions.

Assessment of Progress

19.1. Azerbaijan reports no actions, which can constitute progress under this part of the recommendation. The submission of the draft law to Parliament has been pending since 2017, along with draft methodological guidelines for the handling of procurement complaints and debarment. The status quo under this and the following part of the recommendation has remained unchanged for the past two and a half years. For the reporting period, this raises serious concerns in regards to Azerbaijan’s ability to carry out such important functions as handling procurement-related complaints and debarment effectively. The monitoring experts urge Azerbaijan to step up its efforts in implementing this recommendation and adopting the new public procurement law and

complementary guidelines, which will then be analysed to determine whether Recommendations 19.1 and 19.2 have been implemented.

19.2. See joint assessment for 19.1. and 19.2 above.

19.3. Azerbaijan reported no actions directly aimed at the implementation of this Recommendation. According to the information provided by the Government, a) the published information appears to be limited to procurement plans and needs and a small number of contract awards; b) the published information relating to the procurement of goods, works and services is limited to procurement by the Ministry of Economy and its affiliated institutions; b) and c) the published information concerning awarded contracts does not contain all information as required by the Recommendation. Finally and most importantly, the provision of procurement related information is still not mandatory (including procurement per procurement agency, sector and procurement method), as the new law on public procurement has not yet been adopted. .

19.4. The monitoring experts note that the plans to move forward with the adoption of the new Law on Public Procurement appear to move non-expediently (draft legislation has been reported as being in progress, but not completed, since the 4th round of monitoring). Instead, amendments to the current law have been made, providing the legal basis for the creation of an e-procurement platform. Some other preliminary steps towards regulation of this portal's functioning have been in progress by the State Agency for Antimonopoly Policy and Supervision of the Consumer Market of the Republic of Azerbaijan, designated as the body responsible for the development of a unified electronic procurement registry. The actual development of an e-procurement platform is still pending

19.5. The monitoring experts note that training courses have been intensified and more appears to be done by the State Agency for Antimonopoly Policy and Supervision of the Consumer Market of the Republic of Azerbaijan in this regard. However, it seems timely to develop a unified comprehensive course (it can also contain additional elements for some particular purchasing entities and sectors, if necessary), which would cover all aspects of procurement, including how to use the e-procurement platform, once it has been commissioned

19.6. Azerbaijan continues to report that no applications by civil society organisations for monitoring of public procurement were submitted – this was also reported in 2017 and 2018. The monitoring experts would like to clarify the requirements for such applications: who can submit such application, to who it should be submitted, what is the procedure for its submission, where one can find out about such possibility, etc. This would help assess why civil society is not participating in the monitoring of public procurement, which is commonly an area in which non-governmental organisations show high levels of interest and engagement. Close analysis of current possibilities and avenues for getting involved in monitoring of procurement processes may provide explanations and offer further suggested ways to address this issue.

19.7. Azerbaijan reports no actions towards the implementation of this part of the recommendation. Despite some amendments to the legislation that have taken place since the 4th round of monitoring, any steps are reported to be pending on the adoption of the new law.

19.8. The Website has been updated and all links were fixed in the earlier reporting periods. These steps were recognized as progress previously and do not constitute further progress. The recommendation update the English version of the website remains valid, in order to attract foreign companies to participate in public procurement opportunities in Azerbaijan.

Lack of (further) progress

Recommendation 20: Business integrity

- 1. Conduct a business integrity risk analysis and develop a business integrity policy with the active engagement of the private sector.**
- 2. Work with the private sector to promote corporate internal controls, ethics, and compliance programmes or measures for preventing and detecting corruption (including in SMEs) and conduct surveys or studies to measure the impact of these measures.**
- 3. Consider adopting a Corporate Governance Code for SOEs based on the OECD Guidelines that could also include anti-corruption controls.**
- 4. Consider the establishment of a fully independent Business Ombudsman whose mandate would be to assist companies in mediating and resolving business integrity concerns.**

18th Monitoring Meeting, September 2017

Government report

1. Entrepreneurs are divided into high, medium and low risk groups in accordance with the Article 9.1 of the Law of the Republic of Azerbaijan “On Regulation of Entrepreneurship Supervision and Protection of Entrepreneurs' Interests”. Also, according to the Article 10.1 of the Law, the frequency of the planned (next) audits of the entrepreneur depends on the risk group to which he/she belongs to and it cannot be overdue for each risk group set out in this article. At the same time, the Section 1.5.1 of the “Strategic Road Map on the Production of Consumer Goods at the Level of Small and Medium Enterprises in the Republic of Azerbaijan”, approved by Decree No.1138 of the President of the Republic of Azerbaijan dated December 6, 2016, envisages conduct of analysis of the impact of inspections on the activities of the SMEs, review of the possibility of increasing the suspension period of inspections in the field of entrepreneurship and the preparation of relevant proposals. In this regard, legislative acts on increasing the suspension period of inspections have been prepared. At the same time, discussions are being held at the Working Group on “Optimization of Audits and Risk Assessment”.
2. Stimulation of the development of entrepreneurship, including small and medium-sized businesses, which is of crucial importance in sustainable socio-economic development of the country, creation of more favorable conditions for entrepreneurs, diversification of the economy, opening of new jobs, development of non-oil sector, implementation of modern regulatory policy are priorities. One of the main priorities of the Ministry of Economy is to further increase the role of entrepreneurs in the country's new stage of development, to continue the complex state support measures for entrepreneurship development, as well as to solve the problems they face and to achieve entrepreneurial satisfaction in this direction.

In order to address the problems faced by entrepreneurs by the Ministry of Economy has been further improved the consideration of their applications and the following requirements have been strictly observed in the course of consideration of appeals from entrepreneurs by all the structural subdivisions of the Ministry directly dealing with entrepreneurs:

- ensuring that entrepreneurs' requests are reviewed and answered objectively, thoroughly, timely and in full accordance with the requirements of the legislation;
- discussion of issues raised in their appeals with direct participation of entrepreneurs;
- the results of the discussions held with entrepreneurs have been registered;
- in cases when the entrepreneurs do not attend discussions, they have been contacted verbally, reasons of their inability to participate, as well as issues raised in their appeals were clarified and oral

discussions were held, result were registered;

- in order to prevent time loss and ensure operational efficiency a mechanism of electronic explanation of the proceedings during the review of applications has been established;

- relevant letters have been sent to the relevant authorities regarding the matters raised in the appeals of the entrepreneurs and, as a rule, the appeals were answered after obtaining answers from them;

- the response letters included measures implemented for consideration of entrepreneurs' appeals, or relevant subjects to be addressed have been indicated;

- when a decision is taken to maintain, partly satisfy or reject entrepreneurs' applications, complaint procedures have also been explained in the response letter to the applicant;

- entrepreneurs were informed in written form about results of their appeals, where application was not positively answered the reasons for their failure were provided, and the procedure for filing complaints was explained.

The consideration of applications received from entrepreneurs has always been kept in focus and is based on the requirements of the Law of the Republic of Azerbaijan “On Citizens' Appeals” and “Rules of conducting clerical proceedings in relation to citizens' applications in state and municipal bodies, legal entities controlling interest (stocks) belonging to state or municipal bodies and budgetary organizations” and “Rules of conducting clerical proceedings in relation to citizens' applications in state bodies, the legal entities owned by the state and legal entities controlling interest (stocks) belonging to state and budgetary organizations” approved by the Decrees of the President number 950 and 951, dated 23.06.16.

In accordance with the Decree of the President of the Republic of Azerbaijan No. 762 dated 03.02.16 in order to ensure transparency and objectivity in the consideration of complaints of individuals and legal entities engaged in entrepreneurial activity, protection of rights and lawful interests of persons in this area, Appeal Councils, which are collegial bodies in the central and local executive bodies, were established and their exemplary statutes were approved. The Appeal Council of the Ministry of Economy has reviewed repeated complaints filed by individuals and legal entities engaged in entrepreneurial activity related to the competence of the Ministry in relation to their entrepreneurial activity. With the aim of implementation of adequate preventive measures to address problems faced by entrepreneurs, as well as continuation of economic reforms in our country, aimed at expanding investment activity, improving the business environment and increasing industrial production the Ministry of Economy in accordance with the Presidential Decrees No. 745 dated 18.01.16, and No. 877 dated 20.04.16 has launched issuance of an Investment Incentive Certificate and Investment Promotion Document to legal entities and individual entrepreneurs for imports of equipment, technological equipment and facilities to provide entrepreneurs with various privileges stipulated by law for the purpose of improving their business activity, Issuance of certification documents. Until 27.07.17. the Ministry has issued 182 Investment Incentive Certificates to 169 entrepreneurship subjects, and 732 Investment Promotion Documents to 132 entrepreneurship subjects. 70 of the Investment Incentive Certificate submitted to entrepreneurship entities are agricultural and 112 are industrial enterprises. The total cost of these projects is 1,632,055.6 thousand Manats, the amount of equipment to be imported is 873,341.5 thousand Manats, and the cost of the concession equipments is 115,824.07 thousand US dollars. Also, as a result of these projects, 11,896 new jobs were created.

In addition, in accordance with the Presidential Decree “On the simplification and transparency of procedures for the issuance of special permit (license) and reducing number of entrepreneurial activities requiring special permit (license)” dated 19.10.15. special permits (licenses) are issued by the Ministry of Economy at “ASAN Service” Center, except for the cases arising from state security. From 02.11.15 till 30.07.17 in total 4276 licenses (3715 of them in Baku and 561 in regions) have

been issued to entrepreneurship subjects through “ASAN Service” Centers.

During the first half of 2017, the National Fund for Support of Entrepreneurship has organized 18 business forums, including 16 in the regions and 2 in Baku. Entrepreneurs were provided with preferential loans, awareness raising trainings were conducted for 1670 entrepreneurs, including 1510 in the regions, and 160 entrepreneurs in Baku city, exemplary investment projects were demonstrated, discussions with representatives of credit organizations and entrepreneurs on use of their existing economic potential more efficiently. Announcements were made in the media for the adoption of investment proposals in cities and regions.

During the first six months of 2017, in order to solve the financial problems faced by entrepreneurs, the National Fund for Support of Entrepreneurship provided preferential loans in the amount of 63,257.8 thousand Manats to 690 entrepreneurship subjects in the regions, and in Baku making it possible to create 2328 new jobs. 64.7% of the loans were given to the regions of the republic, and 35.3% to the Baku city settlements.

In order to strengthen awareness of entrepreneurs on legislative acts related to inspections in the field of entrepreneurship, the “Rules of issuance of Investment Promotion Document”, as well as the recent reforms relevant measures with the participation of representatives of the Ministry of Justice, National Confederation of Entrepreneurs (Employers) Organizations, representatives of inspection bodies and entrepreneurs were implemented on 07.07.17 at Aran Regional Development Center in Yevlakh city for Aran and Gandza-Gazakh economic regions, on 14.07.17 at Guba-Khachmaz Regional Development Center located in Khachmaz city for Absheron and Guba-Khachmaz economic regions.

At the same time, in applications submitted to the Ministry of Taxes on the suspension and cancellation of their activities by entrepreneurship entities the main reasons are shown as following: 30% reorganization, 1% reorganization of the organizational and legal form and renovation under another name, 1% low profitability, 1% limited access to financial and credit resources, 1% had seasonal and other factors, 1% had personal health, and 66% had other reasons. Accordingly, businesses showing other reasons have been contacted selectively, and 54% of them explained it by lower profitability, 24% restructuring their activities, 13% have already restored their activity, 8% low rental fees, and 1% of their activities being of a seasonal nature.

Also via SMS send to mobile phones entrepreneurs were recommended to apply to the 195-2 Call Center of the Ministry for assistance in rebuilding their activities. In this regard, the entrepreneurs who applied to the Ministry's Call Center were provided with detailed information on recent reforms and support mechanisms, compiling the complaint sheets for each complaint letter and handling them in accordance with the requirements of the Law of the Republic of Azerbaijan “On Citizens' Appeals”.

3. During the reporting period relevant researches and studies in regards to the adoption of the Corporate Governance Code for State-Owned Enterprises have been initiated and are in progress. It is planned to finalize researches and studies in the second half of 2017.

4. Improvement of alternative dispute resolution options among small and medium-sized businesses is envisaged as one of the priorities in the Strategic Road Map on the production of consumer goods at the level of small and medium entrepreneurship in the Republic of Azerbaijan. In this regard, currently measures are implemented for drafting the Law of the Republic of Azerbaijan “On Mediation”.

Review of existing international instruments in the field of business and human rights and their implementation into national legislation is one of the priorities in the activity of the Ombudsman. For this purposes following a round table on “Business and Human Rights: challenges and prospects”

held on February 12, 2013, establishment of a Working Group was agreed. In accordance with the Decree of the Ombudsman dated 27 March 2013, a Working Group was established and its Statute has been adopted. Currently, the Working Group consists of representatives from Ministries of Economy, Taxes, Justice, Agriculture, Ecology and Natural Resources, Emergency Situations, State Labor Inspection Service, Azerbaijan Trade Unions Confederation, State Committee on Family, Women and Children's Affairs, Antimonopoly Policy and Consumer Protection Service, the Free Union of Consumers, Small and Medium enterprises Development Support Center, Entrepreneurship Development Foundation and several local NGOs. Members of Parliament, representatives of NGOs, international experts are also invited to the meetings of the Working Group. Participation in the Working Group is based on the principle of voluntarism and its composition may change. At the Working Group meetings, a wide exchange of views on relevant themes, proposals and recommendations are heard, discussions on how to improve the activities are held. From February 2013 till April 2017, the Working Group has organized 14 roundtables on various topics, the last being held on 28 March 2017 on "Protection of consumer rights in the context of business and human rights". One of the main activities of the Group is to take necessary measures to implement the UN "Guiding Principles on Business and Human Rights" and other international instruments in this area. This and various other documents and materials have been translated into national language, published, disseminated and uploaded to the official website of the Ombudsman.

Assessment of progress

Analysis of the business integrity risks was not yet conducted and business integrity policy with the active engagement of the private sector was not yet developed, however preliminary planning measures have already been taken. Azerbaijan authorities reported steps taken to improve the complaint mechanisms for businesses and ensure their proper functioning and other steps taken towards easing of doing business and the burden of businesses from inspections and controls, as well as improve private sector-government dialogue. These are very good measures, however, they are not directed at promoting corporate internal controls, ethics, and compliance programmes or measures for preventing and detecting corruption (including in SMEs) and conducting surveys or studies to measure the impact of these measures, as Recommendation asks.

Government reports steps on considering the adoption of the Corporate Governance Code for SOEs, which constitute progress.

The steps reported do not relate to consideration of establishment of Business Ombudsman, which is a distinctly different mechanism from Ombudsman institute, and cannot be considered progress on this part of the recommendation.

In sum reported measure while constitute progress, it is of limited nature and more attention should be paid to reporting of measures that directly relate to the recommendation.

Progress

19th Monitoring Meeting, July 2018

Government report

20.1 Section 1.5.2 of the "Strategic Road Map on production of consumer goods at the level of small and medium entrepreneurship in the Republic of Azerbaijan", approved by the Presidential Decree dated December 6, 2016, as well as Section 8.1.4 of the "Strategic Road Map on production and processing of agricultural products" envisages optimization of inspections and establishment of a risk-based inspection system. In accordance with the Article 9 of the Law of the Republic of Azerbaijan "On Regulation of Entrepreneurship Supervision and Protection of Entrepreneurs' Interests" entrepreneurs are divided into high, medium and low risk groups. The division of entrepreneurs by risk groups is carried out by the inspection body on the basis of the criteria for identifying the risk groups and applies to all businesses inspected. Overall, less than 10 per cent of

the inspected entrepreneurs should be classified as high, with no more than 30 per cent as medium and the other part to the low risk group. The frequency of the planned (next) audits of the entrepreneur depends on the risk group to which he/she belongs to and it cannot be overdue for each risk group set out in this article. Thus, planned (next) inspections are carried out once in a for high risk group, once in two years for medium and once in three years for low risk group, except the food safety sector.

20.2 The Ministry of Economy prepares relevant proposals for anti-corruption, transparency, ethical behavior and accountability (compliance mechanism) in order to create a more favorable environment for the expansion of the private sector, to ensure transparency and prevent corruption. Also, regular trainings are organized on this area, educational materials were prepared and their distribution was ensured. While preparing proposals for anticorruption, transparency, ethical behavior and accountability in the private sector, the requirements reflected in existing legislation, including the Republic of Azerbaijan "On Combating Corruption" for the prevention of circumstances conducive to corruption and corruption offenses, the requirements for the elimination of the consequences of corruption offenses and the ethical conduct rules contained in the relevant laws, as well as the possibility of applying them to the private sector, based on existing accountability requirements in the public bodies were taken into account. In addition, a thematic plan of training for entrepreneurs on anti-corruption, ethical behavior and compliance mechanisms was developed to ensure transparency in the private sector, ensuring regular trainings and trainings for months and months in Baku and regions, the preparation of relevant educational materials containing the requirements of the corruption prevention legislation in the sector, and their initial placement on the official website of the Ministry, and subsequently providing entrepreneurs with trainings was ensured. In the future it is planned to organize the publication of social advertising on this field and to develop "online" educational programs.

During the second half of 2017, at 60 events held in Baku and in the regions presentations on "Electronic Services provided by the Ministry of Economy" were delivered to participants, and they informed on integration of e-service provided by the Ministry to the e-government portal, role of e-services in elimination of corruption risks and creating favorable conditions for increasing transparency.

In addition, presentations on performance of Appeal Councils were held on September 20, 2017 and October 6 in Lankaran, on September 25 in Gazakh, on September 27 in Agstafa, on October 9 in Goychay, on October 11 in Shaki, November 2 in Ismayilli, November 8 in Yardimli, November 10 and December 7 in Gazakh, on December 1 in Bilasuvar, on December 15, in Zardab regions of the country, where the participants were familiarized with the work of Appeal Council with the President of Azerbaijan and Appeal Council established in the Ministry of Economy, rights of entrepreneurs to appeal to the Appeal Councils, the procedure for submitting complaints and others.

Moreover, in accordance with the Order of the Minister of Economy dated 07 March 2017, periodic trainings are organized for employees of the Ministry. For example, a training on "Establishment and co-operation with civil society institutions and the role of state bodies in support to their activities" on 17 July 2017, a training on "Application of the principles and standards of transparency of the ASAN Service Centers in work of state bodies" on 18 August 2017, a training on "Application of the Law of the Republic of Azerbaijan On Appeals of Citizens" on 18 September 2017, a training on "Ethics rules, principles and their application" on 25 October 2017, a training on "Convention on Criminal Liability for Corruption and obligations undertaken by Azerbaijan in connection with this Convention" on 16 November 2017, a training on "Obligations of civil servants in prevention of conflict of interest and their responsibility for violation of these rules" on December 15, 2017 and others were held. More than 190 employees attended those events.

In order to strengthen awareness of entrepreneurs on legislative acts related to inspections in the field of entrepreneurship and the recent reforms relevant measures with the participation of representatives

of the Ministry of Justice, National Confederation of Entrepreneurs (Employers) Organizations, representatives of inspection bodies and entrepreneurs were implemented.

At the same time, in applications submitted to the Ministry of Taxes on the suspension and cancellation of their activities by entrepreneurship entities the main reasons are shown as following: 31% reorganization and renovation under another name, 1% low profitability, 1% limited access to financial and credit resources, 1% had seasonal and other factors, 1% had personal health, and 65% had other reasons. Accordingly, businesses showing other reasons have been contacted selectively, and 52% of them explained it by lower profitability, 24% restructuring their activities, 15% have already restored their activity, 8% high rental fees, and 1% of their activities being of a seasonal nature.

Also via SMS send to mobile phones entrepreneurs were recommended to apply to the 195-2 Call Center of the Ministry for assistance in rebuilding their activities. In this regard, the entrepreneurs who applied to the Ministry's Call Center were provided with detailed information on recent reforms and support mechanisms, compiling the complaint sheets for each complaint letter and handling them in accordance with the requirements of the Law of the Republic of Azerbaijan "On Citizens' Appeals".

In order to increase awareness on anti-corruption and transparency during the second half of 2017, more than 13 thousand brochures and 1300 memos on consumer and entrepreneur rights have been published and distributed. Large-scale cooperation with mass media was ensured. 16 promotional and awareness raising materials have been developed and disseminated through mass media. 5 awareness raising materials on business regulations have been sent to more than 560 thousand email addresses. Information on new regulations has been delivered to more than 1600 registered user through the "Support to Entrepreneurs" Information webpage of the Ministry of Economy (www.sahibkar.economy.gov.az)

Moreover, a survey was conducted among media representatives to evaluate the outcomes of awareness raising activities carried out by the Ministry of Economy. The survey covering 11 leading mass media bodies (AZERTAC, APA, Trend, Inrefax, Azadinform, Salamnews, SIA agencies, "Caucasusinfo.az", "1news.az", "Day.az", "Milli.az" portals) included 15 questions in test and open formats. Questions were mainly on implementation of the National Action Plan for 2016-2018 by the Ministry of Economy, transparency and accountability in the Ministry's activities, e-services, awareness-raising activities, 195-2 Call Center activities and other activities of the Ministry. The results of the survey were summarized and presented as relevant.

20.3 While examining the possibility of adoption of the Corporate Governance Code, which also deals with corruption control in state-owned enterprises it was agreed that there is a need to have a single document regulating relations in this area. At the same time, in the view of implementation of requirements of the Presidential Decree "On additional measures for increasing efficiency in management of legal entities with controlling shares belonging to state" dated 05 September 2016, and the Decree of the Cabinet of Ministers of the Republic of Azerbaijan dated 07 September 2016 the following documents have been drafted and were submitted to the Cabinet of Ministers on 08 May 2017:

- "Rules of assessment of efficiency of performance of legal entities with controlling shares belonging to state";

- "Corporate Governance Rules and Standards in Joint-Stock Companies with controlling shares belonging to state";

-“The Action Plan for gradual implementation of corporate governance rules and standards in Joint Stock Companies with controlling shares belonging to state”;

- “Rules for issuing bonus payments to members of governing bodies of legal entities with controlling shares belonging to state on the basis of the payment system, based on the results of the activity of legal entities”.

20.4 Improvement of alternative dispute resolution options among small and medium-sized businesses is envisaged as one of the priorities in the “Strategic Road Map on the production of consumer goods at the level of small and medium entrepreneurship”. A project of the Law “On Mediation” has been drafted and submitted to the Ministry of Justice for review on August 10, 2017. Later the draft law was further developed in accordance with proposal and opinion of the Ministry of Justice and on December 29, 2017 was submitted for review.

Moreover, in accordance with the Presidential Decree dated 28 December 2017, development of small and Medium Entrepreneurship Agency of the Republic of Azerbaijan was established. It is envisaged to establish a Business Ombudsman institution within than Agency and proposals on this were submitted to the relevant authorities.

Assessment of progress

1. Azerbaijan reported steps that can assume that some analysis of business environment was performed in Azerbaijan and based on that businesses have been divided into 3 categories and this is now being used for inspection purposes. This could be a good measure but it does not stand for or replace business integrity risk analysis. Such analysis would strive to identify corruption risks in the private sector with the view to develop and implement measures to address and mitigate such risks. Almost the same information was provided during the previous progress update, and similarly was deemed not directly relevant to the implementation of the recommendation. Government report also does not mention involvement of the private sector in the reported measures, or in other activities that can help analyse situations with corruption in the private sector. Finally, no information in regards to steps towards development of business integrity policy for was provided in the report.

2. Azerbaijan reports extensive public awareness measures, including a full-fledged awareness raising campaign on corruption that private entrepreneurs may encounter when dealing with the state. These measures are supplemented by complaint mechanisms (such as Appeal Councils, including one in the Ministry of Economy). All these measures seem to be well received and considered helpful by the public. However, the recommendation specifically asks to promote “corporate internal controls, ethics, and compliance programmes or measures for preventing and detecting corruption (including in SMEs)” – i.e.: measures that the companies would be encouraged to develop and implement within themselves, as opposed to transparency and anti-corruption measures introduced by the governments as part of services that they provide for the benefit of businesses. Therefore, while Azerbaijan should continue with all of the reported above measures, it should also proceed with specifically promoting introduction of internal controls, ethics and compliance programmes in the private sector companies. In case it is already done – specific information to this end should be provided in the next Progress Update.

3. Taking into account that recommendation asks “to consider”- Azerbaijan is reporting continued progress in regards to its steps towards introduction of the corporate governance codes, or their main provisions in the SOEs. However, more information should be provided at the next progress update on what the developed documents (the various rules on corporate reform of the SOEs contain in terms of anti-corruption controls/measures), as this was not clear to the monitoring experts. Perhaps more information can be provided in the next Progress Update to demonstrate how developed Rules and other documents would address the recommendation.

4. It appears that Azerbaijan might be taking steps towards improving alternatives for business to report corruption through introduction of the Business Ombudsman. However, it is unclear how this office will be fully independent if it is envisioned as part of the government agency – Development of SMEs Agency. Perhaps more information can be provided in this regard at the next Progress update to draw a meaningful conclusion in regards to progress.

In sum, reported measures are all positive but they do not appear to indicate direct progress under the recommendation. More targeted information in regards to implementation of the recommendation is necessary to assess progress properly and the monitoring experts encourage Azerbaijan to provide such information at the next progress update.

Lack of Progress(more recommendation-specific information is needed)

20th Plenary Meeting, March 2019

Government report

20.1. In order to assess work done by the Ministry of Economy the Ministry conducted a survey among NGOs and mass media. This is the second survey conducted by the Ministry and it covered in total 17 respondent among them being 12 leading mass media bodies (AZERTAC, Intefax, Azadinform, Salamnews, Reportnewsagencies, Qafqazinfo.az, Sputnik.az, Finans.az news portals, Azerbaijan, Palitra, Kaspi, Ikisahil newspapers) and two non-governmental organizations (Economic and Social Development Center, Social Economic and Environmental Development Public Union). The survey covered the implementation of the “National Action Plan for Promotion of the Open Government for 2016-2018” by the Ministry of Economy, transparency and accountability in the Ministry's activities, cooperation with civil society institutions, e-services provided by the Ministry and their integration into the E-Government portal, and issues related to the reforms implemented in this field. The survey results are summarized. Thus, the majority of NGOs and media representatives are satisfied with the measures taken by the Ministry of Economy in connection with the implementation of the “National Action Plan for the Promotion of the Open Government for 2016-2018”, and regard the transparency and accountability of the Ministry as “Good”. Respondents receive more information on the implementation of the Action Plan from the Ministry's website. Other sources of information are the media, social networks and the portal “ems.gov.az”. The vast majority of respondents, including NGOs, appreciate the cooperation of the Ministry of Economy with civil society institutions. Nevertheless, the respondents suggested that the Ministry should engage NGOs in the development of entrepreneurship, drafting of state budget and relevant legislation, regional development. NGO representatives proposed joint discussions with the Ministry, requests to leading civil society institutions to conduct research. According to the vast majority of respondents, the measures taken to ease the public services (e-services) provided by the Ministry are satisfactory. It was suggested to provide all services addressed to entrepreneurs, including concessions, access to credit and technical resources, utility services through electronic platforms. Respondents believe that the problems of entrepreneurs, especially small and medium-sized businesses, should be individually addressed, regular meetings with NGOs should be held in line with the Ministry's activities, the activities of the Institute for Economic Reforms, the work in the field of heavy and food industry should be further improved, awareness raising measures to support small and medium-sized businesses, awareness about business representations abroad and household information should be increased. To the question "Are you satisfied with the work done to inform the public about the reforms carried out in the economic field, and to inform them about their purpose and essence?" Many respondents answered "Yes" and only a few "Partially". The results of the survey will be used to plan the next cycle of activities as well as awareness raising measures.

20.2. In order to guarantee transparency the Ministry of Economy regularly informs public about its activities. The Ministry continued cooperation with mass media, published information through its

webpages, and accounts on social media platforms as Facebook, Twitter, Youtube and others. During the second half of 2018 more than 200 press releases were published.

During the reporting period the new version of the website of the Ministry of Economy with modern design and functionality and the mobile version of the website have been introduced. Pages of the Ministry in Facebook, Twitter and Youtube social networks are regularly updated and large variety of information, announcements, video materials are posted on these pages, questions and requests have been regularly answered. The Minister of Economy provided detailed information on reforms, in the economic field, their purpose and essence at all trainings, conferences, roundtables and other events organized by it.

During the second half of 2018 the Ministry continued its activities in the field of integration electronic services rendered by it into the E-Government portal. The information on e-services rendered by the Ministry of Economy, importance of e-service in decreasing corruption risks and increasing transparency, guidelines for using “Licenses and permissions” portal and “From business to business” electronic platform have been delivered to the participants (youth, women, entrepreneurs and beginner entrepreneurs, more than 250) during various events organized by the Ministry and its subordinated structural units in Baku as well as in the regions of the country.

In addition, presentations on performance of Appeal Councils were held on July 19 and September 26, 2018 in Goychay, on July 19, September 21 and September 25, 2018 in Gazakh, on July 20, 2018 in Agstafa, on September 21 and 26, 2018 in Sheki, on September 24-25, 2018 in Ganja regions of the country, where the participants were familiarized with the work of Appeal Council with the President of Azerbaijan and Appeal Council established in the Ministry of Economy, rights of entrepreneurs to appeal to the Appeal Councils, the procedure for submitting complaints and others.

Information on new regulations, economic and anti-corruption reforms has been delivered to more than 1600 registered users (entrepreneurs) through the “Support to Entrepreneurs” Information webpage of the Ministry of Economy (www.sahibkar.economy.gov.az).

Furthermore, in order to implement of public supervision over the activities of the Agency for Development of Small and Medium Enterprises (SME) under the Ministry of Economy of the Republic of Azerbaijan, as well as provision of the transparency in its activity, Public Council and Volunteer Council were established under the Agency. Election commission was established for the purpose of organization of election to Public Council, 15 representatives of civil society institutes were elected as members to Public Council under the Agency by holding elections on 29.11.2018.

Furthermore, the Agency for Development of Small and Medium Enterprises has started an initiative called “SMEs friend” that is already operating in 8 regions – Masalli, Siyazan, Shabran, Khachmaz, Ganja, Yevlakh, Guba and Gusar. “SMEs friends” have held meetings up to 120 with entrepreneurship subjects, heard their proposals, and answered their questions.

Currently, the works are done on creation of “SMEs homes” - another project of the Agency. The scope of services to be provided to SMEs will be enlarged significantly by creating SMEs homes. Generally, nearly 110 services of 34 state bodies will be provided to entrepreneurs in SMEs homes on the principle of unified place. At the same time, the works in the direction of creation of “e-SMEs Home” portal that will provide the provision of the service over the unified electron platform are ongoing.

Moreover, in order to prevent and suppress corruption violations faced by entrepreneurs the Memorandum of Understanding was signed between the Agency for Development of Small and Medium Enterprises and the Anti-Corruption Directorate with Prosecutor General.

A Department on protection of interests of small and medium enterprises was established within the Agency. This Department receives and examines complaints of entrepreneurs, takes relevant measures to answer their needs promptly, as well as conducts studies, analyses and monitorings for the purpose of evaluation of standing of protection of interests of SMEs subjects. One of the main aspects of the activity of the Department is to provide proposals to improve the interests protection mechanisms for the small and medium enterprises subjects, to prepare proposals on drafting and amending normative legal acts relevant to this field, to implement awareness raising measures, to facilitate solution of the disputes which might occur related to the activity of entrepreneurs by mediation.

20.3. On 25.12.2018 training on “Corporate governance concept and its role in effective operation of the company” was held on the application of corporate governance principles in small and medium-sized businesses. Representatives of small and medium-sized businesses, industrial neighborhoods and parks participated in the event. During the training, participants were informed about the norms envisaging corporate responsibility in the Criminal Code, as well as the importance of internal control and corporate compliance programs, and discussions were held.

20.4. In order to ensure the safeguarding of taxpayers' rights more effectively, to mediate their complaints, and to assist in the regulation of relations with tax administrations in the format of mutual cooperation the Tax Ombudsman was established in February 2019 by the Order of the Minister of Taxes. At present, work is underway to form the institute of Tax Ombudsman, its functions and powers as well as the mechanism of action. It is planned that the Tax Ombudsman will cooperate with public institutions and entrepreneurs to protect the rights and legitimate interests of entrepreneurs, as well as investigate complaints of corruption, the violation of the lawful interests of entrepreneurs, and to obtain information on violations of the rights of entrepreneurs from any source, including the media, and conduct its own investigations in this respect.

CSO report

No submissions.

Assessment of Progress

20.1. Experts note that Ministry of Economy surveyed its “clients”, many of whom presumably are representatives of the business community and private sector, in regards to satisfaction with its services and its work. Such surveys could be used in conducting analysis of business integrity risks and to inform development of business integrity policy. More would need to be done in addition to these surveys to conduct a real assessment of the business integrity risks in the country but these can be a good starting point. Azerbaijan would need to engage in a dialogue with the private sector in order to discuss what corruption problems they are encountering when dealing with the state (currently only international business rankings and surveys are doing that) and what solutions can be developed to counter such problems. These solutions could then become the basis for integrity policy in the business sector. This would ensure implementation of this part of the recommendation and would also help improve rankings of Azerbaijan in many of these international indices. Moreover, the Working Group, which was created by Azerbaijan with this purpose (Azerbaijan reports on it in other sections, e.g. under recommendation 19) could be also used as a vehicle for both risk assessment and policy development. It would be of utmost importance for Azerbaijan to involve as many segments of the business community as possible to ensure inclusiveness and relevance.

20.2. Azerbaijan reports excellent steps under this part of the recommendation, which are important and contribute to a more transparent environment for the work of businesses. In previous progress updates it also reported on measures for promotion of business in Azerbaijan in general. All of these are good and welcomed by the experts but they do not pertain directly to what this part of the recommendation is requiring. Perhaps to help clarify this recommendation, Azerbaijan can look for guidance in the latest ACN Business integrity report – section 5.6 on [Incentives for companies to improve self-regulation and introduce compliance programmes](#) and use this as the base guidance. A

discussion of examples of good practices can be organised with ACN secretariat and select countries to help further guide these efforts.

20.3. In fact, training on “Corporate governance concept and its role in effective operation of the company”, described by Azerbaijan under this part of the recommendation pertains to recommendation 20.2 and could be a good starting point of measures to promote corporate internal controls, ethics and compliance programmes or measures for preventing and detecting corruption within companies. training on “Corporate governance concept and its role in effective operation of the company”. Further actions towards Corporate Governance Code for SOEs have not been reported in this progress update and information in this regard can be further explored in the 5th round of monitoring.

20.4. Azerbaijan reports decision to establish Tax Ombudsman, which would be an alternative dispute resolution mechanism on tax abuses in regards to individuals and legal persons. This is different from a Business Ombudsman, which covers all spheres of relationships between businesses and the state, but can be an interesting model and experts will follow its establishment and functioning as it starts work. In any case, Azerbaijan is taking steps to look into alternative disputes resolutions and the recommendation called only for it to consider establishment of the Business Ombudsman as one possible option.

In sum, Azerbaijan has taken initial steps towards implementation of some parts of this recommendation.

Progress, albeit initial.

CHAPTER 3: ENFORCEMENT OF CRIMINAL RESPONSIBILITY FOR CORRUPTION

Recommendation 21: Trainings

Continue to provide training and guidelines to investigators, prosecutors and judges on cases of bribe offers, bribe promises, non-material bribes, and foreign bribery.

18th Monitoring Meeting, September 2017

Government report

Taking into account the importance of educational activities in the fight against corruption, these topics are broadly covered at initial and ongoing trainings of judges. In recent years, 250 judges participated in various trainings on topics of combatting corruption organized in cooperation with international partners. Anti-Corruption topics are also included in initial long-term course of candidates for judges.

Various aspects of pre-trial investigation of corruption offences, international standards, best practices and cooperation in this field are part of a one-year mandatory training offered to candidate prosecutors and of optional in-service training. In February to May 2017, the Scientific-Educational Centre of the Prosecutor General’s Office organized training courses for newly recruited 110 employees of the Prosecutor’s Office.

In September 2016, the Anti-Corruption Directorate in cooperation with the Ministry of Taxes organized training courses for investigators and inquiry officers of the Ministry of Taxes. In total 43 officers attended the courses. Various aspects of pre-trial investigation including corruption and corruption related offences, application of criminal and criminal procedural legislation have been covered during the trainings.

Moreover, each Saturday according to the Ordinance of the Prosecutor General training curricula is

held at the Anti-Corruption Directorate for investigators, prosecutors and detectives on various themes, including detection, investigation and prosecution of bribery offences.

Assessment of progress

While extensive and comprehensive trainings are being conducted for investigators, prosecutors and judges, information provided suggests that they are of broad Anti-Corruption nature. Azerbaijan authorities assured that issues identified in the recommendation are covered by these trainings, and therefore these steps were treated by the experts as progress, however, limited. Going forward more focused trainings should be conducted on the recommended issues to continue demonstrating progress under this recommendation.

Progress

19th Monitoring Meeting, July 2018

Government report

21.1 These topics are included at initial and ongoing trainings of judges and candidates for judges conducted by the Academy of Justice. Also, trainings organized by the Scientific-Educational Centre of the Prosecutor General's Office cover pre-trial investigation of corruption offences.

Assessment of progress

Azerbaijan reports that the recommended topics are included in the trainings for judges and are part of the initial training curriculum for judicial candidates – the same is inferred in regards to prosecutors. On its face, the reported information could be considered as progress. However, at the later stage Azerbaijan will need to provide more details on how these topics are covered (separately or just as general overview of all corruption crimes, if for example, they are part of the tests or any other type of exercises, etc. and what effect if any these trainings have had).

Progress

20th Plenary Meeting, March 2019

Government report

21.1. Initial and ongoing trainings of judges and candidates for judges, as well as trainings of employees recruited to the Prosecutor's Office include those topics.

Moreover, various trainings and seminars on those topics are organized. For example, on July 13, 2018, the Academy of Justice organized a training on "National and international mechanisms in combating corruption" for judges. In total 14 judges attended the training. This training also included topics on investigation of corruption offences, issues regarding qualification of corruption crimes. Representatives of the ACD attended the event and shared their experience in this field.

CSO report

No submissions.

Assessment of Progress

21.1. Azerbaijan reports that the topics identified in the recommendation are included in the trainings for judges (initial and ongoing) and trainings for prosecutors. In the framework of the progress update this will constitute progress, however, in further monitoring detailed information will need to be

provided in this regard – in particular, covering of offences prescribed in the recommendation would need to be done.

Progress

Recommendation 22: Money laundering

Take measures (e.g. issuing normative acts or prosecutor instructions, or training judges and prosecutors) to clarify that the money laundering offence in Article 133 CC applies where (1) different persons commit the laundering and predicate offences, (2) the predicate offence is committed outside Azerbaijan, (3) the predicate and money laundering offences are tried separately, and (4) the subjective elements of the offence are inferred from objective, factual circumstances.

18th Monitoring Meeting, September 2017

Government report

In order to strengthen the fight against money laundering and financing terrorism and ensure continuity of systematic and complex measures implemented in this field the National Action Plan “On combatting money laundering and financing terrorism 2017-2019” has been approved by the Decree of the President of the Republic of Azerbaijan dated 18 November 2016. The National Plan envisages implementation of relevant measures for improvement of national legislation on money laundering and financing terrorism, as well as organization of trainings for judges on the legal qualification, investigation and prosecution of money laundering offences.

Moreover, this issue is also envisaged in “Action Plan of the Prosecutor General’s Office of the Republic of Azerbaijan on the implementation of the recommendations of the Report on the Republic of Azerbaijan adopted under the Fourth Monitoring Round of the Istanbul Action Plan of the Anti-Corruption Network for Eastern Europe and Central Asia of the Organization for Economic Cooperation and Development (OECD)” signed by the Prosecutor General on 28 April, 2017, in the form of requesting the Plenary of the Supreme Court to adopt a decision in relation to the interpretation of Article 193-1 of the Criminal Code (money laundering), and organization of trainings and seminars on this topic, preparation of methodical recommendations and other materials.

Several trainings were hold for judges on different aspects of combating money laundering.

Also, representatives of the ACD periodically attend regional and international seminars, trainings and conferences on combatting money laundering. For example, in October and November 2016 officers of the ACD attended conferences on combatting money laundering in Hungary and Latvia respectively.

Assessment of progress

Some steps that contribute towards implementation of the recommendation have been reported by Azerbaijan authorities and have been considered as limited progress by the experts. However, for the next reporting Azerbaijan is encouraged to provide more detailed information in regards to how legislative measures will in particular address issues raised in the recommendation. Also more information in regards to training and instructions and how they relate to the specific points raised in the recommendation should be provided in the next monitoring report.

Progress

19th Monitoring Meeting, July 2018

Government report

22.1 Topics such as typologies of money laundering, pre-trial and trial investigation and proof of money laundering offences are included in the curricula of long-term trainings organized by the Academy of Justice for candidates to judges and judges. For example, on September 22, 2017, training on features of trial investigation of criminal cases was held. The training attended by more than 30 judges, representatives of the ACD and FIU also covered topics of qualification and proofing of money laundering offences and cooperation of law enforcement agencies in combatting corruption. Moreover, in order to enhance knowledge and skills of judges in investigation and prosecution of money laundering offences in 2017 the Academy of Justice prepared and published a methodological mean named “Combatting corruption”.

Moreover, representatives of the ACD, State Security Service, State Customs Committee and other law enforcement agencies periodically attend trainings and seminar on different aspects of combating money laundering and terrorism financing. For example, during 2017 representatives of the State Security Service participated in seminars dedicated to AML/CFT organized by international and CIS partners. In 27-29 November 2017, employees of the State Customs attended seminar organized by the European Office of WCO where such issues as cash smuggling and legalization of money obtained through trade were covered.

AML/CFT courses are included in curricula of trainings at the Academies of the State Security Service, State Customs Committee and Ministry of Interior (police).

On May 24-25, 2018, the ACD hosted a training on investigative techniques in money laundering cases organized in the framework of the EU and CoE Eastern Partnership Good Governance Initiative Programme “Strengthening anti-money laundering efforts in Azerbaijan” project. The event was attended by nearly 50 representatives of the ACD, Prosecutor General’s Office, Ministries of Interior, Taxes, FIU and judges of various instance courts. International experts shared experience in detection of money laundering offences, investigation techniques, seizure and confiscation of proceeds of crime, international standards and etc.

In addition, the ACD will host series of trainings on various aspects of AML/CTF organized for prosecutors, judges and other law enforcement agencies in the framework of the EU and CoE Eastern Partnership Good Governance Initiative. A training on processing and adjudicating money laundering cases for judges and prosecutors on 7-8 June 2018 and a training on terrorism financing for judges and prosecutors, will take place on 12-13 July 2018.

Assessment of progress

Azerbaijan reports numerous AML training measures for judges, prosecutors and investigators. However, it is not clear whether and how they clarify issues raised in the recommendation. Many of the reported training measures seem to focus on learning and exchanging good practices but the recommendation focused on clarifying money laundering offence under the existing Azerbaijan law, through including normative acts or prosecutorial instructions. Some steps taken by the General Prosecutor (e.g.: request to the Plenary of the Supreme Court to adopt interpretation) have been previously reported by Azerbaijan in September but what became of them would be of interest to the monitoring experts.

Lack of Progress

Government report

22.1. In December 2018 the Prosecutor General’s Office requested the Plenary of the Supreme Court to adopt a decision in relation to the interpretation of Article 193-1 of the Criminal Code (money laundering). Currently the Supreme Court of the Republic of Azerbaijan is conducting analysis of judicial practice regarding money laundering cases. It is expected that during the first half of 2019 the Plenary will discuss and adopt the relevant decision which will also cover questions raised in the current Recommendation. At the same time the Prosecutor’s Office also continues analysis of criminal cases investigated under Article 193-1 of the Criminal Code.

On October 8, 2018, the Decree of the President of the Republic of Azerbaijan “On additional measures in the field of combatting money laundering and terrorism financing” has been adopted.

In accordance with this Decree, the Anti-Corruption Directorate with the Prosecutor General was tasked with organization of collection of centralized statistics on money laundering and terrorism financing offences. According to this Decree judicial statistics (judgments) on mentioned issues should also be periodically collected by the Directorate. This will allow conduct of analysis of information on money laundering offences with further improvement of the stand of combatting money laundering. The Unified Information Database was established at the ACD and in accordance with the Order of the Prosecutor General No 10/83 dated 27 November 2018, the Guidelines “On a unified information database on crimes related to legalization of money or other assets obtained through criminal way and terrorism financing” and “List of information required to be submitted”, as well as Instruction on using the Database was approved. Currently the ACD is collecting the relevant data.

During the reporting period several trainings were hold for prosecutors and judges on different aspects of combating money laundering. For example, on September 27, 2018, training on “Concepts and challenges in money laundering and terrorism financing” was organized in the framework of the EU and CoE Eastern Partnership Good Governance Initiative Programme “Strengthening anti-money laundering efforts in Azerbaijan” project. The event was attended by nearly 30 representatives of the Anti-Corruption Directorate, Prosecutor General’s Office, Judicial-Legal Council, Ministry of Taxes, FIU, State Security Service, Azerbaijan Bar Association and judges of various instance courts. International experts (Laura Vaike and Michael Shekner) shared their experience. On February 5-8, 2019, a joint training on combatting money laundering was organized by the International Migration Organization and Academy Justice. Judges of courts of various instances, prosecutors, representatives of the FIU and other law enforcement agencies attended the event.

Also, representatives of the ACD periodically attend regional and international seminars, trainings and conferences on combatting money laundering. For example, in 7-8 June, 8-9 November 2018 officers of the ACD attended meetings of subgroup of the Organization for Democracy and Economic Development (GUAM) on combatting corruption and money laundering in Ukraine. Moreover, on June 18-19, 2018, the representative of the ACD attended regional seminar on “Prevention of illicit enrichment” in Chishinau organized within the framework of the EU and CoE Eastern Partnership Good Governance Initiative Programme “Strengthening anti-money laundering efforts in Azerbaijan”.

Moreover, AML/CFT courses are included in curricula of trainings at the Academies of the State Security Service, State Customs Committee and Ministry of Interior (police). Representatives of the ACD regularly deliver lectures on combating corruption crimes, as well as money laundering at those institutions and universities.

It is also noteworthy that in December 2018 Azerbaijan has successfully completed IV Monitoring

Round under the MONEYVAL Evaluations.

CSO report

No submissions.

Assessment of Progress

22.1. The experts feel that a clear distinction needs to be made between very particular and focused measures, which have been the focus of this recommendation, and training and other awareness raising measures on anti-money-laundering and counter-terrorism of general nature.

In the future Azerbaijan is strongly encouraged to provide only information which would pertain to clarifying application of the money laundering offence in cases when:

- 1) different persons commit the laundering and predicate offences,
- (2) the predicate offence is committed outside Azerbaijan,
- (3) the predicate and money laundering offences are tried separately, and
- (4) the subjective elements of the offence are inferred from objective, factual circumstances.

In this report, only request to the Plenary of the Supreme Court to adopt a decision in relation to the interpretation of Article 193-1 of the Criminal Code (money laundering) and possibly collection of statistics with the view to analyse practice of application of the anti-money laundering legislation, including in the context of this recommendation – can be considered relevant, and as possible steps towards the recommended clarification. These steps would need to be further followed up to evaluate their impact on the prescribed in the recommendation.

Progress

Recommendation 23: Liability of legal persons

- 1. Introduce without delay criminal procedure provisions for the enforcement of the criminal liability of legal persons.**
- 2. Ensure that corporate liability is autonomous, namely that it is not dependent on the investigation, prosecution or conviction of a natural person.**
- 3. Provide guidelines and training to investigators, prosecutors and judges on the application of the substantial and procedural rules on criminal liability of legal persons.**
- 4. Raise the private sector’s awareness of the corporate liability provisions in the Criminal Code and the importance of internal controls and corporate compliance programmes (see also the recommendation in the section on Business Integrity).**

18th Monitoring Meeting, September 2017

Government report

1. The Law “On amendments to the Criminal Procedure Code of the Republic of Azerbaijan” has been adopted by the Parliament on 29 November 2016 and entered into force after it was signed by the President on 14 December 2016. In accordance with that Law relevant provisions regarding criminal procedures for the enforcement of criminal liabilities of legal persons have been introduced. The new Chapter LVI of the Criminal Code regulates proceeding for application of criminal legal measures to legal persons.

2. In accordance with the Article 99-4.2 of the Criminal Code of the Republic of Azerbaijan “application of criminal legal measures to the legal entity does not exclude criminal liability of the physical person made this act or participating in any form in its making”. It means that the liability of a legal person must not exclude a natural person’s liability for the same crime, and vice-versa: sanctioning an individual should not exclude charges against a corporation. Also according to the newly introduced Article 487-6.6 of the CPC in case of termination of the criminal case against a natural person provided for in Article 487-2.2 of the Code in the cases stipulated by Articles 39.1.5, 39.1.10-39.1.12 and 40.2 of the Code (those provisions are grounds when a natural perpetrator cannot be prosecuted-emphasis added), if the collected evidences shall be considered sufficient for application of criminal-legal measures in respect of the legal entity and sending the case to the court the investigator adopt a decision on sending the case to the court with indictment formulated in accordance with the requirements of legislation. This also shows relative autonomy of the corporate legal liability concept applied in national legislation.
3. The criminal liability of legal persons is one of the regular topics that are on the agenda of the ACD, and the Directorate intensively studies the foreign experience and best practice in this area. Seminars and trainings on this topic are periodically organized. For example, on May 21-25, 2017 a delegation of officers of the ACD had a study visit to the Netherlands within the framework of the EU-funded project of “Supporting the development of judicial system and improving the services provided by the agencies that implement criminal court orders in Azerbaijan”, where they have been familiarized with the legislation and best practices of the mentioned country in relevant field. The relevant Action Plan of the Prosecutor General’s Office also envisages implementation measures in this direction, such as conducting trainings, seminars, courses, as well as preparation and distribution of booklets, brochures and other printed materials. Moreover, topics on corporate criminal liability are covered at regular trainings held each Saturday in accordance with the Ordinance of the Prosecutor General.
4. In the view of application of corporate governance principles in industrial enterprises a training on “Internal Control. Risk Management. Responsibility” was held on 20.04.2017. An invitation was sent to 48 industrial companies to participate in the event. The vast majority of these companies are private sector companies. Moreover, this year it is planned to conduct 8 more trainings on relevant topic. Also, it is planned to conduct relevant surveys to determine the effect of the event among the participants upon completion of the trainings.

Assessment of progress

Azerbaijan Criminal Procedure Code has been amended with provisions which make the liability of legal persons for corruption offences enforceable. This is positive step for which Azerbaijan is commended and which represents significant progress under this recommendation. It was also amended to ensure autonomy of the liability of the legal person. These changes are also complimented by the trainings for the law enforcement and according to the information provided by Azerbaijan authorities more shall be done to this end. Trainings for the private sector actors have been commenced and their effectiveness will be assessed to decide on the next steps; these are also steps in the right direction.

Significant Progress

19th Monitoring Meeting, July 2018

Government report

23.1 This recommendation was mainly addressed in previous monitoring report.

23.2 This recommendation was addressed in previous monitoring report.

23.3 The ACD in cooperation with other law enforcement agencies and partners periodically organizes seminars and trainings on criminal liability of legal persons. To this end a symposium on criminal liability of legal entities was held on the 1st December 2017 in Baku in the framework of the EU project “On Support to development of justice system in Azerbaijan”. Representatives of the ACD and Prosecutor General’s Office, judges of the first instance and appeal courts, as well as international experts attended the event where international best practices and experience of foreign countries in relevant field has been discussed.

Moreover, criminal liability of legal entities is included in the long-term training course for candidates to judges. On 28-29th of September 2017, the Academy of Justice organized a seminar on this topic in the framework of the CoE and EU project on “Enhancing skills in prevention and combatting corruption in Azerbaijan”. During the seminar international experts discussed various aspects of corporate criminal liability, such as theories of corporate criminal liability, investigation of corporate offences, adjudication and sanctions and others.

23.4 On November 29, 2017, a training on “Corporate social responsibility. Interested persons” dedicated to application of corporate governance principles in industrial organizations was organized by the Ministry of Economy. This year it is planned to conduct trainings on this topic for enterprises operating in other sectors of the private sector.

Assessment of progress

1. Progress under this element of the recommendation was not assessed as it was deemed to have been addressed for the purposes of the Progress Updates in September 2017.

2. Progress under this element of the recommendation was not assessed as it was deemed to have been addressed for the purposes of the Progress Updates in September 2017.

3. International events reported by Azerbaijan are good for overall understanding of the new concept of liability of legal persons and how it is applied in other jurisdictions but there should be focus on the new law and how to apply it by Azerbaijan criminal justice bodies. In this regard – introduction of this topic into the judicial candidates training course is a good development, and the same should be also done for prosecutors and investigators.

4. Corporate social responsibility is not the same as corruption, so it cannot be recorded as progress for this recommendation.

In sum, some further progress was made in addition to that achieved and acknowledged in September 2017; however moving forward more should be done by Azerbaijan towards implementation of elements 2 and especially element 3.

Progress

20th Plenary Meeting, March 2019

Government report

23.1. On October 12, 2018 amendments to the Code of Execution of Punishments have been adopted. These new amendmends introduced Section 8 (Execution of criminal-legal measures) Chapter XXII (Execution of criminal-legal measure in the form of a special confiscation) and Chapter XIII (Specification of execution of criminal-legal measures applied to legal entities). Those amendmends

to the legislation made the concept of criminal liability of legal persons fully applicable. After adoption of this legislation the ACD has applied this concept in one instance and currently investigation is ongoing.

Thus this recommendation is fully addressed.

23.2. This recommendation was addressed in previous monitoring report.

23.3. Currently, the ACD is implementing measures necessary for wider application of criminal liability of legal entities by its prosecutors and investigators. Moreover, currently the ACD is developing Methodological Guidelines on criminal liability of legal persons. In order to further enhance capacities of employees the ACD regarding the application of criminal liability of legal entities this year within the framework of the EU TAIEX Programme it is planned to conduct study visits to Denmark and the Netherlands to get familiar with the experience of those countries.

23.4. Implementation of corporate governance standards in state owned enterprises are envisaged in the Decree of the President No 2300 dated 5 September 2016 and in the Strategic Roadmap for national economy perspectives.

Moreover, the Ministry of Economy implements series of awareness raising measures on wider application of corporate governance standards in private sector.

The ACD also supports such activities and representatives of the Directorate periodically participate events where they inform participants on anti-corruption legislation as well as corporate liability. For example, on December 26, 2018, officers of the ACD attended conference organized by Executive Authority of Surakhani district of Baku where they presented requirements of the Criminal Code regarding criminal liability of legal entities and answered questions of participants.

CSO report

No submissions.

Assessment of Progress

23.1. Experts commend Azerbaijan on further steps taken to ensure that liability of legal persons can be enforced. In particular, latest amendments to the Code of Execution of Punishments, with introduction of Section 8 (Execution of criminal-legal measures) Chapter XXII (Execution of criminal-legal measure in the form of a special confiscation) and Chapter XIII (Specification of execution of criminal-legal measures applied to legal entities) are very much welcomed. Moreover, first application of these measures is an excellent step forward and Azerbaijan is congratulated on this achievement. The experts encourage Azerbaijan to investigate these cases further and continue to raise the levels of enforcement.

23.2. Implementation of this part of the recommendation is no longer assessed as part of the progress updates.

23.3. Work on development of methodological guidelines on application of liability of legal persons by the ACD is most welcome; it would be important to ensure that they are widely disseminated and that investigators and prosecutors are encouraged to use them in their work.

23.4. Information provided under this element of the recommendation is too generic in order to assess its relevance for progress under this part of the recommendation. Some relevant information was provided under recommendation 19, in particular, one training was held for businesses by the Ministry of Economy, which covered issues of corporate liability and with explanations of what this

entails for the businesses. More targeted and numerous measures need to be undertaken for progress to be further recognised under this part of the recommendation.

Significant progress.

Recommendation 24: Seizure and confiscation

- 1. Continue to monitor the effectiveness of the seizure and confiscation regime, including by collecting and analyzing accurate statistics on the type and amount of property that is seized and confiscated, and on the disposition of such property.**
- 2. Take steps to ensure that investigators, prosecutors and judges place more emphasis on seizing and confiscating the proceeds of corruption, including the assets produced or derived from corruption offences (e.g. the profits resulting from a contract obtained through corruption).**
- 3. Enhance the capacity of ACD and other prosecutors' offices to identify, evaluate and seize corruption-related property.**
- 4. Adopt the legislation on the Asset Management Office and make the Office operational.**

18th Monitoring Meeting, September 2017

Government report

1. The Anti-Corruption Directorate periodically analyzes the practice of application of confiscation provisions by collecting relevant statistics and information. During the first six months of 2017, 93 out of 103 criminal cases sent to courts for review were related with material damage. Total amount of material damage caused was 12.804 million Manats, out of which 28.2 % were compensated during pre-trial investigation. In 2 criminal cases seizure of assets in the total amount of 21504 Manats were guaranteed. In 2016, 167 criminal cases out of 201 criminal cases sent to courts for review were related with material damage. Total amount of material damage caused was 202.6 million Manats, out of which 16.6 % were compensated during pre-trial investigation. In 4 criminal cases seizure of assets in the total amount of 78.2 million Manats were guaranteed.
2. The National Action Plan "On combatting money laundering and financing terrorism 2017-2019" approved by the Decree of the President of the Republic of Azerbaijan dated 18 November 2016 envisages implementation of relevant measures for increasing knowledge and skills of judges, prosecutors and investigators in respect of confiscation of proceeds of crime and asset recovery, conduct of trainings and courses.
3. In 2016 Financial Monitoring Service prepared and published at its website Guidelines on "Best practices on confiscation and asset recovery". The methodological document describes best practices available in other countries related to tracing, freezing and confiscation, management of confiscated property, international co-operation, and international standards in this area.

Moreover, representatives of the ACD periodically attend conferences, seminars and trainings held on topics of asset recovery. For example, in May 2017, officers of the ACD attended a specialized training on financial investigations and asset recovery held by the Hong Kong's Independent Commission Against Corruption (ICAC) in Hong Kong, China. Also, in June 2017, a delegation of the ACD attended the IAP regional conference on cybercrime and asset recovery in Tbilisi, Georgia.

4. Article 2.6 of the National Action Plan "On combatting money laundering and financing terrorism 2017-2019" approved by the Decree of the President of the Republic of Azerbaijan dated 18 November 2016 envisages implementation of measures in the field of improvement of national

legislation in the field of confiscation of proceeds of crimes and asset recovery, and establishment of mechanisms in line with international standards.

Assessment of progress

Some steps have been reported by Azerbaijan and constitute limited progress made in addressing of this recommendation. However, many measures are still in the form of planned activities and it would be possible to evaluate their effectiveness only once relevant provisions of the National Action Plan “On combatting money laundering and financing terrorism 2017-2019” get implemented.

Progress

19th Monitoring Meeting, July 2018

Government report

24.1 Application of seizure and confiscation provisions is systematically analyzed by the Anti-Corruption Directorate. During 2017, 186 out of 214 criminal cases sent to courts for review were related with material damage. Total amount of material damage caused was 83.485 million Manats, out of which 33.03 % were compensated during pre-trial investigation. In 6 criminal cases seizure of assets in the total amount of 15.381 million Manats were guaranteed.

24.2& 24.3 In the framework of implementation of the National Action Plan “On combatting money laundering and financing terrorism 2017-2019” relevant measures were implemented regarding this recommendation. The Ministry of Justice in cooperation with Financial Markets Supervision Chamber drafted projects on amendments to the Criminal and Criminal Procedure Codes concerning recognition of judgments of foreign courts on criminal cases and recovery of confiscated assets and submitted to the Cabinet of Ministers (Government) of Azerbaijan. Special attention in this regard is paid to international cooperation. Discussions and exchange of information on confiscation of proceeds of corruption offences and asset recovery were conducted with the Financial Action Task Force (FATF), EGMONT Group and MONEYVAL in the form of plenary and working meetings.

Moreover, in order to enhance knowledge and skills of judges, prosecutors and investigators in respect of confiscation of proceeds of crime and asset recovery trainings, seminars and other events were conducted, representatives of law enforcement agencies attended seminars, trainings and conferences on this both in Azerbaijan and abroad. For example, employees of law enforcement agencies, including the ACD periodically participate at meetings of working subgroup on combatting corruption and money laundering of the Organization for Democracy and Economic Development (GUAM). Also, in October 2017, the ACD hosted the 8th OECD ACN LEN Meeting on investigation and prosecution of corruption offences: confiscation of proceeds, asset recovery and independence of prosecutors, also attended by more than 20 representatives of Azerbaijani law enforcement agencies.

In 12-15 November, 2017, representatives of the ACD attended regional seminar on asset recovery organized within the framework of the EU Eastern Partnership TAIEX programme, where tracing, seizure and confiscation of proceeds of corruption, European asset recovery standards, performance of Asset Recovery Offices and other topics were covered.

Moreover, this autumn within the framework of the EU TAIEX Programme it is planned to conduct study visit to Italy to get familiar with the experience of National Agency for the Management and Assignment of Seized and Confiscated Assets of Italy in order to further enhance capacities of employees the ACD regarding all aspects of the asset recovery (tracking, seizure, forfeiture, asset management and information exchange between relevant institutions).

Assessment of progress

1. Azerbaijan reports statistical data on material damages caused by corruption (which is not directly relevant to the recommendation). It also reports that in 6 cases seizure was secured withholding judgement on whether confiscation and seizure regime is deemed effective – and what steps are being taken to ensure its effectiveness. Also, provided data is not clear in regards to what is recommended for collection in the recommendation – for example it is not clear what type of property was seized and confiscated, and no information on the disposition of such property was shared.
2. It was not clear to the monitoring experts which of the reported steps help ensure that more emphasis is placed specifically on confiscation of proceeds of corruption, including assets produced or derived from corruption offences.
3. Azerbaijan reports holding various trainings aimed at exchange of good practices, many of which are of international nature, perhaps more focus should be made on application of national legislation, challenges in national practice and ways to overcome them.
4. No reported steps.

Lack of Progress

20th Plenary Meeting, March 2019

Government report

24.1. The ACD systematically and periodically analyses application of seizure and confiscation provisions. During 2018, 221 out of 278 criminal cases sent to courts for review were related with material damage. Total amount of material damage caused was approximately 120 million Manats, out of which 44.4 % were compensated during pre-trial investigation. In 8 criminal cases seizure of assets in the total amount of 34.2 million Manats were guaranteed. In most of those cases where the trial investigation is finished and courts issued final judgment confiscation of seized assets was applied. Among cases sent to courts for review in 2018, only in one case the court overruled the decision to seize the property. That case was due to the fact that during court proceedings the accused fully compensated caused material damages. Seized and later confiscated assets included jewellery, land plots, apartments, vehicles and other movable and immovable assets.

24.2. Currently the ACD is conducting research on standing of application of seizure and confiscation provisions regarding proceeds of corruption offences investigated at the ACD. The research aims at analysing the investigative practice in this respect for the last several years. It is planned that the report will formulate proposals for improvement of work in this field.

24.3. Employees of the ACD regularly attend trainings and seminars on topic, and study foreign experience in this respect. For example, on October 11-12, 2018, delegation of the ACD made a study visit to Central Asset Recovery Office of the Kingdom of Belgium organized within the framework of TAIEX technical assistance tool of the European Commission. Moreover, on November 12-14, 2018, prosecutors of the ACD attended the second meeting of the IRG of UNCAC on asset recovery.

24.4. No amendments to the legislation have been adopted in this regard.

CSO report

No submissions.

Assessment of Progress

24.1. Azerbaijan reports that ACD continues to monitor effectiveness of seizure and confiscation regime. This time information on monetary value of seized and confiscated assets was cited by Azerbaijan, as well as on types/nature of these assets, and nothing on disposition of confiscated property was reported. However, in order to assess progress made under this recommendation the experts need to be explained how exactly this information helps evaluating effectiveness or non-effectiveness of the current seizure and confiscation mechanisms in place, what was concluded as a result of the continuous monitoring of effectiveness, did conclusions prompt any changes in legislation, policy or practice, etc.

24.2. Azerbaijan reports undertaking analysis of ACD practice on applied seizure and confiscation in the past several years, in order to develop proposals on how seizure and confiscation of proceeds of corruption, including the assets produced or derived from corruption offences, can be stepped up. This could be a good initiative considering slow progress under this part of the recommendation. In addition, other steps should also be taken, e.g.: trainings, guidelines, placing priority on such types of confiscation at policy level by the Prosecutor General and Director of ACD, and others. Moreover, the data should be provided in regards to confiscation of proceeds specifically.

24.3. Azerbaijan reports measures, which do not directly pertain to implementation of this part of the recommendation. In particular, participation in two international training events on asset recovery was reported. However, identifying, evaluating and seizing of corruption-related property is not equivalent to asset recovery. Finally, international experience of any sort would be of limited help in terms of on-going investigations and prosecutions of ACD, which deal with corruption-related property located in Azerbaijan. Other measures, more practical in nature and more useful in terms of everyday application by the ACD prosecutors should be developed to address this recommendation – again training on national legislation, typologies on forms that such corruption-related property can take, guidelines on how to evaluate its value, etc. might prove more effective.

24.4. Azerbaijan reports no steps to implement this part of the recommendation.

Progress

Recommendation 25: Immunities

- 1. Reduce the scope of immunity of MPs and judges to ensure that immunity would not unduly impede investigations and prosecutions, such as by providing immunity only to acts committed in the performance of official duties, or only to officials who have been indicted or whose arrest is sought.**
- 2. Take steps to ensure that the decision to lift immunity is based only on whether the request is abusive (i.e. *fumuspersecutionis*) and not on the merits of the allegations.**
- 3. Substantially reduce the deadline for the MilliMajlis and JLC to lift immunity.**

18th Monitoring Meeting, September 2017

Government report

According to the Article 90 of the Constitution of the Republic of Azerbaijan Member of Parliament (*MilliMajlis*) of the Republic of Azerbaijan enjoys immunity during the whole term of his/her powers.

Except cases of *in flagrante delicto* a member of the MilliMajlis of the Republic of Azerbaijan cannot be subjected to criminal responsibility during the whole term of his/her authority, arrested, disciplinary measures cannot not be applied to him/her by courts, he/she cannot be searched. Member of the Milli Majlis of the Republic of Azerbaijan can be arrested only in case of *in flagrante delicto*. In such a situation, the investigative authority that caught a MP must immediately notify the Prosecutor General of the Republic of Azerbaijan about the fact. Immunity of Member of the MilliMajlis of the Republic of Azerbaijan can be lifted only by the decision of the MilliMajlis based on application of Prosecutor General. In accordance with the Article 91 of the Constitution, Members of Milli Majlis cannot be held responsible for their activity in Milli Majlis, voting and statements made in Milli Majlis. Without the MPs' consent, they cannot be demanded to testify or to give explanations.

According to the Article 128 of the Constitution of the Republic of Azerbaijan and Article 101 of the Law “On Courts and Judges” a judge enjoys immunity. The procedure of lifting immunity of a judge is described in the Constitution and the Law “On Courts and Judges” (see below).

According to the Article 101 of the Law “On Courts and Judges” the investigative authority that caught a judge *in flagrante delicto* must immediately notify the Prosecutor General of the Republic of Azerbaijan about the fact. If the Prosecutor General determines grounds for prosecution of a judge he/she immediately submits a motion to the Judicial-Legal Council on this. The Judicial-Legal Council reviews the motion within 24 hours at time the judge is caught, at presence of the Prosecutor General or Deputy Prosecutor General and decides to accept or to refuse that motion. The decision on results of review immediately is submitted to the Prosecutor General.

In other cases a motion of the Prosecutor General on start of prosecution regarding a judge is reviewed within 72 hours of its submission to the Judicial-Legal Council.

In accordance with the Law “On amendments to the Law of the Republic of Azerbaijan on Courts and Judges” dated 29 November 2016, the timeframe for the review of the motion of the Prosecutor General of the Republic of Azerbaijan on lifting the immunity of the judge and starting criminal proceeding against a judge has been reduced from ten days to 72 hours.

Article 22 of the Internal Regulations of MilliMajlis (Parliament) regulates the procedure of lifting immunity of a member of the Parliament. According to that Article in accordance with the Section II of the Article 90 of the Constitution of the Republic of Azerbaijan an MP's immunity can be lifted only by MilliMajlis upon the application of the Prosecutor General. The MilliMajlis reviews the application of the Prosecutor General within 7 days since the date it is received. The Chairman of MilliMajlis, as a rule, firstly forwards request to the Disciplinary Commission of the MilliMajlis for an opinion. The Commission adopts an opinion on this issue. As a rule, the MP regarding whom the motion is submitted can participate in the session of the Commission. The MPs participating in the session of the Commission cannot discuss whether the MP regarding whom the motion is submitted is guilty or not, and can only discuss whether the application of the Prosecutor General is well substantiated or not, and may ask questions to the Prosecutor General, make speeches in favour or against the adoption of the motion. Then the MilliMajlis may decide to lift immunity by majority vote.

The proceedings described above ensure sufficient guarantees for protection from abusive requests, as it is transparent and is guaranteed by the Constitution and laws.

Moreover, currently within the cooperation project with the EU on reducing the scope of immunity of judges a Working Group containing representatives of the Prosecutor General's Office, Ministry of Justice, Academy of Justice, Judicial-Legal Council and international experts was established. The Working Group studies international best practices in this field and it is planned to adopt a draft law on reducing the scope of immunity of judges regarding corruption offences.

Assessment of progress

Law “On amendments to the Law of the Republic of Azerbaijan on Courts and Judges” dated 29 November 2016 represents a step towards implementation of part of the element 3 of the recommendation as the deadline for review of the motion for lifting of immunities of judges was reduced from 10 days to 3 days; similar actions have not been taken in regards to the MPs. The rest of the legislation and practice in regards to immunities stayed unchanged since adoption of the recommendation. The Working Group which will look into reducing immunities was established but until it yields results, progress cannot be assessed. Therefore, very limited progress could be recorded by the experts towards overall implementation of this recommendation.

Progress

19th Monitoring Meeting, July 2018

Government report

25.1 Reducing the scope of immunity of judges is one of the issues considered within the framework of the EU Project on Support to development of justice system in Azerbaijan. A Working Group composed of representatives of the Prosecutor General’s Office, ACD, Ministry of Justice, Academy of Justice, Judicial-Legal Council, judges, NGOs and international experts drafted a law on reducing the scope of judges. On 15th March 2018 a round table was organized to discuss the draft law where proposals and opinions of participants were expressed. It was agreed to further develop the draft law in order to address requests of all stakeholders. Currently the process is ongoing.

Moreover, this autumn within the framework of the EU TAIEX Programme it is planned to conduct a study visit of representatives of the ACD to Romania to get familiar with DNA’s experience in combating corruption in judiciary.

Assessment of progress

1. Azerbaijan reports work on the draft law to reduce the scope of judicial immunity. It appears that the draft is only at the initial stage and has not been submitted to the Government or the Parliament and therefore cannot be considered as progress yet.

Nothing is reported in regards to MPs immunities under this element of recommendations.

2./3. Azerbaijan did not report any steps towards implementation of element 2 and 3 of the Recommendation.

Lack of progress

20th Plenary Meeting, March 2019

Government report

25.1. As it was reported during the previous progress update the deadline for lifting the immunity of judges was reduced. In the remaining aspects no amendments to the legislation have been adopted. The working Group established within the cooperation project with the EU continues to study international best practices. It is planned to conduct study visits to Denmark and the Netherlands to get familiarized with relevant experience.

25.2.

25.3.**CSO report****No submissions.*****Assessment of Progress***

25.1. Azerbaijan reports no further or new steps to implement this part of the recommendation.

25.2. Azerbaijan reports no further or new steps to implement this part of the recommendation.

25.3. The deadline for JLC to review requests for lift immunity has been previously reduced and duly recognised. In this reporting period, no further or new steps to implement the remaining element of this part of the recommendations have been reported.

Lack of progress.**Recommendation 26: Effective regret**

Further analyze the application of the effective regret defence with a view to limiting its application and increasing the prosecution of active bribery offences.

18th Monitoring Meeting, September 2017***Government report***

Anti-Corruption Directorate periodically analysis application of effective regret provisions together with other issue regarding pre-trial investigation of corruption cases. It should be noted that application of effective regret provision is significantly declined during last years. For example, during the first six months of 2017, out of 110 criminal cases investigated at the ACD none was dropped based on effective regret provision, meaning that the mentioned provision has not been applied. During 2016, out of 216 criminal cases investigated at the ACD only in 1 case article 40.2 of the CPC was applied.

Prosecution of active bribery cases by the ACD is gradually increasing as it can be observed from the table below.

Years	Number of active bribery cases investigated at the ACD and sent to the courts for review	Number of accused individuals	Total number of criminal cases investigated at the ACD	Total number of accused individuals
January-July 2017	5	11	103	133
2016	14	17	216	314
2015	9	13	207	301
2014	4	5	209	336
2013	2	3	201	367

Assessment of progress

ACD monitors application of the effective regret on a regular basis and information provided by the Azerbaijan authorities demonstrated that in fact its application has decreased to only 1 case in 2016 and there were no cases of it application in 2017. This information was further supported by statistical data on steady increase in cases of active bribery pursued by the ACD. This, in the opinion of the

monitoring experts, demonstrates clear progress towards implementation of the recommendation.

Significant progress

19th Monitoring Meeting, July 2018

Government report

26.1 Application of effective regret provisions is periodically analysed by the ACD. In 2017, the ACD finished pre-trial investigations of 226 criminal cases regarding 305 individuals, and there was not any case where effective regret defence was applied.

Moreover, in 2017 out of total 214 criminal cases sent to relevant courts for review 11 cases regarding 19 individuals were active bribery cases. In 2017, number of individuals accused in active bribery continued to increase in comparison to previous years, notwithstanding the fact that in 2017 total number of accused individuals has slightly decreased comparing to 2016.

Assessment of progress

It appears that Azerbaijan continues to further keep track of the application of the effective regret defence, as well as it keeps track on active bribery offences cases and it seems that there is still progress in comparison to the previously reported period.

Progress

20th Plenary Meeting, March 2019

Government report

26.1. The Anti-Corruption Directorate continues to monitor application of effective regret defence. In 2018, the ACD finished pre-trial investigation of 278 criminal cases regarding 431 individuals, which were submitted to relevant courts for further review. 5 criminal cases were dropped in accordance with Article 39.1.11 of the CPC however, there was not a case of application effective defence regarding bribery cases. In 2018 the ACD finished pre-trial investigation and sent to courts 36 active bribery cases regarding 46 individuals. In 2017, the ACD finished pre-trial investigation of 11 criminal case of active bribery regarding 19 individuals. As it can be observed from provided statistics, total number of criminal cases as well as number of active bribery cases has significantly increased.

CSO report

No submissions.

Assessment of Progress

26.1. Azerbaijan appears to be on track in implementation of this recommendation. Collection and analysis of relevant data is continued and seems to demonstrate that effective regret does not constitute an obstacle in pursuing active corruption cases. Defence of effective regret is used in exceptional cases, if ever, and the number of active bribery investigations is growing.

Progress

Recommendation 27: Procedures for investigation and prosecution of corruption offences

- 1. Amend the legal provisions and revise the practice that hinders the use by law enforcement agencies of information revealed by the media for opening criminal cases or continue with the investigations into allegations of corruption.**
- 2. Use results of the analysis of the data contained in the database in order to better prioritize ACD's activities to ensure that the most relevant corruption allegations are being tackled.**
- 3. Take the necessary measures to facilitate the speedy and confidential access to bank and financial information of the prosecutors investigating corruption cases.**
- 4. Ratify as a matter of urgency the Second Protocol of the CoE Convention on International Judicial Cooperation, the Warsaw Convention on Money Laundering and the Fourth Protocol of the Council of Europe's Convention on Extradition.**
- 5. Encourage the prosecutors to establish informal contact channels with foreign authorities in order to better prepare the MLA requests and the execution thereof.**
- 6. Provide training and guidelines to the prosecutors and judges on the best practices in international judicial cooperation.**

18th Monitoring Meeting, September 2017

Government report

1. In accordance with Article 206 of Criminal Procedure Code of the Republic of Azerbaijan, information held by the media concerning an offence committed or planned, which is deemed to constitute grounds for instituting criminal proceedings, shall be immediately sent to the prosecuting authorities after its disclosure in the press or on radio or television. Correspondence addressed to the media about an offence committed or planned, which has not been published, shall be sent by media officials to the prosecuting authorities in accordance with Article 205 of this Code. Media officials who have published or sent to the authorities information about an offence committed or planned and authors of such information shall submit the documents in their possession confirming the information to the inquiry officer, the investigator, the prosecutor in charge of the procedural aspects of the investigation or the court.

Since the adoption of the IV Round Monitoring Report no amendments have been made to those provisions. However, information from the media can be used for detective activity and Operations Department of the ACD regularly looks for information in the media.
2. Ensuring that the most relevant corruption allegations are tackled is one of the priorities and duties of the ACD. The ACD regularly analysis information received on corruption offences through different sources, as well its activities in forms of summarizations, quarter, semi-annual and annual internal performance reports, and other analytical documents. Results of this work are used in planning of further activity of the Directorate, as well as in prioritizing ACD's activities.
3. Adoption of relevant measures for simplification of procedures for obtaining bank and financial information is planned in the view of implementation of the National Action Plan "On combatting money laundering and financing terrorism 2017-2019" approved by the Decree of the President of the Republic of Azerbaijan dated 18 November 2016.
4. The Republic of Azerbaijan signed the Warsaw Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism (CETS 198) in 07/11/2016 and with the national Law № 678-VQ, dated 31 May 2017, ratified the mentioned Convention. The Fourth Protocol of the European Convention on Extradition has been translated

into Azerbaijani language, and currently possibilities of Azerbaijan's accession to this instrument are reviewed.

- 5 & 6. Employees of the ACD regularly attend seminars, trainings and conferences on MLA, including OECD GLEN. The Network of Anti-Corruption Prosecutors project of the International Association of Prosecutors (IAP) is also used as an effective tool in international legal cooperation. In some cases contacts obtained through mentioned events are used in investigation of corruption cases at the ACD.

Assessment of progress

Azerbaijan authorities reported some of the measures which constitute progress under this recommendation, including adoption and ratification of the Warsaw Convention, Azerbaijan will still need to join the other two instruments that have been recommended. Other measures, such as participation in international cooperation trainings and networking events for law enforcement officials, also contribute towards addressing the last two elements of the recommendation. Other elements would need to be addressed in the future through legal and practical steps.

Progress

19th Monitoring Meeting, July 2018

Government report

27.1 Since the last progress update no legislative amendments have been adopted to those provisions. However, information from the media is continuously used in detective activities of the relevant structural units of the ACD.

27.2 During reporting period the ACD continued analysis of information on corruption offences and violations received via its Hot-line Call Center, direct applications, referrals from other state agencies, conducted summarizations on specific fields, as well as its investigative and detective activities. Results are reflected in semi-annual and annual internal performance reports and other analytical documents and are used in planning of further activities. For example, in 2017, summarizations on received information regarding social protection, state property management, state registry of real estate, state land cadastre and monitoring, banking, energy supply and health sectors and other were conducted.

27.3 Implementation of relevant measures are reflected in the National Action Plan “On combatting money laundering and financing terrorism 2017-2019” approved by the Decree of the President of the Republic of Azerbaijan dated 18 November 2016. Since the last progress update projects of legislative acts envisaging amendments to the current legislation, determining rules and procedures of usage of database of Financial Markets Supervision Chamber by law enforcement agencies and simplification of procedures for obtaining bank and financial information have drafted and submitted to the Cabinet of Ministers of Azerbaijan (Government).

27.4 The Republic of Azerbaijan ratified the Warsaw Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism (CETS 198) on 31 May 2017, and the Convention came into force for Azerbaijan on the 1st of December 2017. Currently possibilities of Azerbaijan's accession to the Second Protocol of the CoE Convention on International Judicial Cooperation, and the Fourth Protocol of the Council of Europe’s Convention on Extradition this instrument are reviewed.

27.5 Prosecutors of the ACD and Prosecutor General’s Office periodically attend trainings and conferences on mutual legal assistance issues. Conferences and meetings organized by the ACD in Baku also contribute towards establishing informal contacts with foreign counterparts. Since the last

progress report, Baku hosted Regional Cybercrime conference organized in cooperation with CoE and IAP, 8th OECD LEN meeting, 45th IAP ExCom meeting attended by more than 150 prosecutors, judges and representatives of other law enforcement agencies from large number of countries. Moreover, the ACD actively participates in the work of the Network of Anti-Corruption Prosecutors project of the International Association of Prosecutors (IAP) which brings together prosecutors from more 170 countries around the globe and NACP project provides a platform for networking among prosecutors.

27.6 Curricula of trainings organized by the Academy of Justice for candidates to judges and judges in 2017 included topics on cooperation of law enforcement bodies in combatting cooperation.

Assessment of progress

1. No amendments have been reported.
2. Based on the information provided by Azerbaijan authorities, it seems that analysis is being made and used for prioritization of cases. Additionally, Azerbaijan shared more information about analysis of data contained in the databases and its use for deciding on priorities of ACD during the bilateral meetings.
3. Furthering of the draft legislation can be considered as some form of progress, however, this doesn't mean that the experts believe that the draft legislation will necessarily address this element of the recommendation – once this draft legislation becomes law it can be analysed and conclusions can be drawn.
4. No new progress on this element – signature and entrance into force of Warsaw convention was already reported and noted at the previous report. The other two instruments are still pending and should be still signed and ratified.
5. Reported steps are regarded as positive. However, more information needs to be provided in regards to the results that these reported measures yield in terms of successful cases, execution of MLA requests, etc. for the next progress update.
6. Reported information needs to be clarified for the next reporting in terms of the topic of the training – judicial international cooperation vs. law enforcement cooperation.

In sum, some progress can be acknowledged in implementation of this recommendation. However, the experts believed that it was rather limited and many of the elements of the recommendation have not been addressed.

Progress (limited)

20th Plenary Meeting, March 2019

Government report

27.1. Since the last Progress Report there have been no amendments to relevant Articles of the CPC. However, information from media is thoroughly studied by the ACD and is continuously used in operational-search activities of the ACD.

27.2. As the monitoring team was informed during previous progress updates the ACD conscientiously analyse received information on corruption violations and offences. The Directorate use large variety of sources for collecting such information, which is analysed in an ongoing manner. Periodically

reports are compiled on this and outcomes are used in planning of further activities and determining priorities of performance. For example, in 2018, analytical reports have been prepared on corruption violations in bank and education sectors.

27.3. The legislation in this respect has been amended taking into account Recommendations of the OECD ACN and MONEYVAL. Thus on November 30, 2018, amendments to the Code of Criminal Procedure (Article 207.4) were introduced. In accordance with those amendments now investigating authorities are allowed to access financial information including financial transactions, bank accounts or tax payments, private life or family, state, commercial or professional secret information in the pre-investigative phase without initiation of official investigation (starting criminal case). Thus, this recommendation is addressed.

27.4. As it was reported during the previous progress updates Azerbaijan has ratified the Warsaw Convention and it came into force for Azerbaijan on December 1, 2017. Possibility of accession to the other two Protocols is reviewed.

27.5. Representatives of the ACD and Prosecutor General's Office periodically attend regional and international events, as well as host delegation from foreign counterparts. Those events contribute towards establishing informal contacts, which are used in mutual legal assistance issues. In November 20-23, 2018, the ACD hosted delegation from Independence Authority against Corruption of Mongolia. The Memorandum of Understanding on cooperation in combatting corruption was signed between two agencies. The ACD is also planning to sign MoU with Prosecutor's Office of Buenos Aires and Financial Guard of Italy. In February 2019 the ACD hosted delegation from the Prosecutor General's Office of Uzbekistan.

27.6. On July 13, 2018, the Academy of Justice organized a training on "National and international mechanisms in combating corruption" for judges. In total 14 judges attended the training. This training also covered issues on international judicial/legal cooperation.

CSO report

No submissions.

Assessment of Progress

27.1. Azerbaijan reports no steps to implement this part of the recommendation (save that at the bilateral meetings Azerbaijan shared that ACD proposed making amendments to this effect which were not accepted). It continues to maintain that media allegations are thoroughly studied and used for purposes of intelligence gathering in corruption cases. Nevertheless, several big corruption and money laundering scandals implicating Azerbaijan public officials and Azerbaijan companies, extensively covered in international press, appear to have no law enforcement response from Azerbaijan. This supports the original opinion of the experts that press allegations do not constitute detection sources, otherwise these cases have not been pursued for political or other considerations.

27.2. Azerbaijan continues with the practice of analysing the ACD case-law and developing its priorities based on this analysis. To this end, in 2018 banking and education were identified as priority areas for enforcement actions.

27.3. Azerbaijan is commended on its latest legislative amendments to help implement this part of the recommendation. In particular, in November 2018, the Code of Criminal Procedure was amended allowing investigating authorities to access financial information including financial transactions, bank accounts or tax payments, private life or family, state, commercial or professional secret information in the pre-investigative phase without initiation of official investigation (starting criminal case). Moreover, Azerbaijan reports that this was done to implement IAP and MONEYVAL recommendations. Practice of application of this legislation will now need to

be followed up to ensure that application of this newly acquired right is not hindered and can be swiftly ensured in practice.

27.4. Azerbaijan reports no steps to implement this part of the recommendation since the last progress update.

27.5. Azerbaijan continues efforts towards implementation of this part of the recommendation. In particular, ACD prosecutors are continuously provided with opportunities to build contacts in various law enforcement forums abroad and when networking events are organised by ACD in Azerbaijan. ACD should now assess impact that this networking has had on the quality of MLA requests, expedience of execution of such requests, as well as any changes in timelines in receiving responses to the sent MLA requests – such assessment should then help inform further measures to improve and facilitate MLA in corruption cases of ACD.

27.6. Limited information was provided in regards to implementation of this part of recommendation. In particular, example of one training for judges was cited. This seems like the efforts have been reduced or reporting under this recommendation does not reflect current state of affairs.

Progress

Recommendation 28: Enforcement of corruption offences

- 1. Concentrate the resources of ACD to investigate complex, systemic and high level corruption cases, relevant for the economic and social situation in Azerbaijan.**
- 2. Use analytical information gathered by the prevention department of ACD and the information revealed by the media and other sources in order to identify and pursue the investigation into the most relevant corruption cases and for the most vulnerable sectors.**
- 3. Provide training to prosecutors with regard to carrying out of financial investigations with exposure to international best practices; and document analysis in complex commercial corruption cases.**

18th Monitoring Meeting, September 2017

Government report

1. The ACD continuous investigation of complex, systematic and high level corruption cases. As a recent example, the case involving high level public officials of the Ministry of Communication and High Technologies can be shown. The case was started in October 2015, based on facts revealed during the pre-trial investigation of criminal cases regarding high-level public officials of the former Ministry of National Security. The mentioned cases was investigated under the Articles 179 (embezzlement), 213 (tax evasion), 308 (abuse of official powers), 313 (office forgery) and others. During the pre-trial investigation it was established that the Head of the Apparatus of the Ministry in relationship with several other heads of subordinated structural units of the Ministry and directors of companies belonging to the Ministry embezzled budget funds in total amount of more than 151 million Manats through falsification of public procurement tenders, documents and other financial schemes. Pre-trial investigation of the case was finished in 2016, and it was sent to the relevant court for review. In August 2017, final judgments of court in mentioned case was announced sentencing most of accused individuals to different periods of imprisonment. Pre-trial investigation of another complex and systematic corruption case is currently ongoing. In this case it was established that chairman of the Management Board of the local private bank

“X” in relation with other individuals embezzled funds of that bank via different schemes, and total amount of embezzlement is approximately 114 million Manats. The case is investigated under the Articles 179 (embezzlement) and 308 (abuse of official powers) of the Criminal Code. Currently there are several ongoing criminal cases where significant amounts were embezzled in private sector.

2. In order to further strengthen the analytical work and corruption prevention measures, to develop analytical thinking and analytical skills of prosecutors in the fight against corruption the Preventive Measures and Inquiry Department and other structural units of the ACD regularly summarize complaints and information received from various sources. For example, during the first six months of 2017, information on planned and committed corruption offences in the field of social protection has been summarized and relevant analyzes were carried out. Moreover, during 2016, information on planned and committed corruption offences in fields of social protection, in the area of management of state property, real estate registry, state land cadastre and monitoring, as well as corruption in banks and non-bank credit institutions were summarized and relevant analyzes were carried out. Results of this analytical work are used in planning of the work of the ACD and prioritizing its activities aimed at prevention and suppression of corruption. Also, as a result of this analytical work most corruption prone sectors, as well as gaps and contradictions in legislation are identified, relevant measures aimed to address those problems are taken (submission of motions of general or specific character to responsible state agencies, proposals on amendment of legislation, or practices conducive to corruption and etc.). Total 27 motions in 2016 and 9 during the first six months of 2017 were submitted by the Preventive Measures and Inquiry Department.
3. The National Action Plan “On combatting money laundering and financing terrorism 2017-2019” approved by the Decree of the President of the Republic of Azerbaijan dated 18 November 2016 envisages organization of trainings for judges on the legal qualification, investigation and prosecution of money laundering offences, familiarization with international best practices and standards in relevant field.
Moreover, the Scientific-Educational Centre of the Prosecutor General’s Office regularly organizes training courses employees of the Prosecutor’s Office on different aspects of investigation, including investigation of corruption and corruption related offences.

Assessment of progress

Azerbaijan authorities reported considerable progress under this recommendation, including examples of the some of the high profile cases being successfully adjudicated and investigated; analytical work of the ACD is also further developing and showing good results, the information is being utilised to identify sectors prone to corruption and take action, this good trend should be continued. Finally, trainings conducted and planned are a good development and it is important that Azerbaijan ensures that financial investigations receive appropriate prominence in such trainings.

Significant Progress

19th Monitoring Meeting, July 2018

Government report

28.1 Since the last progress update the ACD continued investigation of complex, systematic and high level corruption cases. As an example, the case of officials of “Ganjabank” OJSC can be shown. The case was investigated under Articles 179 (embezzlement), 308 (abuse of official powers) and 313 (office forgery) of the Criminal Code. During the pre-trial investigation of this case it was revealed that chairperson of the Supervisory Board of the mentioned bank in relation with the deputy chairperson of the Management Board of the bank embezzled funds in total amount of more than 14 Million Manats through falsification of official documents and other financial schemes. Pre-trial investigation of the case was finished in November 2017, and it was sent to the relevant Grave Crimes

court for review. During pre-trial investigation freezing of assets in total amount of more than 13 Million Manats was guaranteed.

Another corruption case investigated at the ACD involved officials of the State Customs Committee and several individuals. The case was investigated under Articles 206 (smuggling), 311 (passive bribery), 312 (active bribery) and others of the Criminal Code. During pre-trial investigation it was revealed that several citizens of Azerbaijan organized a group involving citizens of a foreign country in order to smuggle 180 thousand medicinal leeches through the border of the country in violation of national and international legislation. For this purpose they bribed officials of Customs Committee. Pre-trial investigation of the case was finished in December 2017, and it was sent to the relevant Grave Crimes court for review.

Currently there are several ongoing criminal cases where significant amounts were embezzled in public and private sectors.

28.2 During the reporting period Preventive Measures and Inquiry Department and other structural units of the ACD continued summarizing complaints and information received from various sources with aim of further strengthening of the analytical work and preventive measures. During 2017, information on planned and committed corruption offences in fields of social protection, state property management, state registry of real estate, state land cadastre and monitoring, banking, energy supply and health sectors were summarized and relevant analyzes were carried out. Since the beginning of 2018 summarizations regarding education, agriculture, health and social protection sectors were also conducted. Results are used in planning and prioritizing of the activities of the ACD, as well as to define most corruption prone sectors, deficiencies in legislation, institutional structure and practices conducive to corruption. In order to address this in 2017, total 28 motions of a general or specific character were submitted to responsible state agencies by the Preventive Measures and Inquiry Department.

28.3 The Scientific-Educational Centre of the Prosecutor General's Office regularly organizes training courses for employees of the Prosecutor's Office on different aspects of investigation, including financial investigations. Moreover, the ACD in cooperation with international and regional partners organize trainings and seminars on various themes. For example, within the framework of the EU Project of Support to the development of justice system in Azerbaijan it is planned to hold a seminar on financial investigations in complex commercial corruption in June 2018.

Assessment of progress

1. One example of high-profile case has been reported by Azerbaijan and one example of devised scheme involving customs Committee; some other high-profile complex corruption cases are reported to also be under investigation.
2. Azerbaijan reports positive work of the analytical department and what comes out of it to prevent corruption.
3. Steps towards implementation of this element of recommendation are reported by Azerbaijan.

Progress

Government report

28.1. During the reporting period the ACD continued investigation of complex, systematic and high level corruption cases that are relevant for the economic and social situation in Azerbaijan. For example, based on materials received from the Ministry of Ecology and Natural Resources series of criminal cases were launched regarding violations occurred at sand-gravel mines around the country. Investigation of more than 20 criminal cases was finished and cases were sent to the relevant courts for review. Investigations revealed large-scale illegal entrepreneurship, tax evasion, abuse of official power facts. Total amount of material damage caused as a result of those crimes was more than 15 million Manats.

Another direction relevant to economic-social situation was cases in construction sector. Based on materials received from the State Committee of Architecture and City-planning. 6 criminal cases in this respect were investigated and submitted to the courts, 4 cases are ongoing. Investigation revealed facts of illegal occupation of land plots, abuse of official powers, forgery, illegal allocation of land plots, fraud and others. During investigation gaps in national regulatory acts allowing corrupt practices were also determined and necessary measures were taken.

During 2018, the ACD also investigated systemic corruption cases regarding high level officials of the State Customs Committee. In total 11 criminal cases regarding 16 individuals have investigated and submitted to courts. 7 cases are currently ongoing. Cases include smuggling, active and passive bribery, forgery and many other offences.

During reporting period several criminal cases were investigated based on materials received from the Food Security Agency.

28.2. Preventive Measures and Inquiry Department, Internal Security Division and other structural units of the ACD periodically analyze complaints and information received from various sources. This is aimed at improving measures for prevention of corruption. During 2018, information on corruption violations in fields of education and banking sectors was analyzed. Results are used in planning and prioritizing of the activities of the ACD, as well as to define most corruption prone sectors, deficiencies in legislation, institutional structure and practices conducive to corruption. In order to address this in 2018, total 140 motions (92 of them by the Preventive Measures Department) of a general or specific character were submitted to responsible state agencies. In 61 cases the relevant disciplinary measures were applied as a result of motions of a specific character.

28.3. Trainings, seminars and other events on financial investigations are regularly organized at local and international level. For example, on June 26, 2018, within the framework of the EU Project of Support to the development of justice system in Azerbaijan representatives of the ACD attended a seminar on financial investigations in complex corruption cases in France. Moreover, investigators and prosecutors of the ACD, and other law enforcement agencies attended several trainings on various aspects of financial investigations organized by the FIU.

CSO report

No submissions.

Assessment of Progress

28.1. Experts recognize Azerbaijan's growing number of complex corruption cases, those, which encompass whole sectors, result in big damages, uncover big schemes, they also positively note new sectors that have been covered by ACD activities, such as construction and extractive industry. Without a doubt, the number of cases has grown, their complexity and scale has grown too. However, as mentioned before under 27.1., concerns remain about some other allegations appearing in international press, alleging grand corruption and money laundering spanning multiple jurisdictions,

involving public officials of foreign countries and international organisations, and implicating Azerbaijan public officials and companies, which seem to have not been pursued by Azerbaijan.

28.2. Again, Azerbaijan’s growing use of information gathered by its prevention department is excellent but information revealed by media and other sources, like investigative journalism, requires attention and seems to be underutilised at the least, or not taken into consideration at all.

28.3. Azerbaijan reports continued participation in various international trainings on financial investigations. It is commendable and it would be logical to evaluate whether gained experience has been applied by the ACD prosecutors, whether financial investigations are conducted and if national enforcement practice can be built up and then used for training and development of guidelines specifically tailored to the needs of ACD.

Progress

Recommendation 29: Anti-corruption criminal justice bodies

Envisage a communication channel between investigative prosecutor and trial prosecutor to better prepare the corruption cases for trial and ensure success of prosecution. For instance, this could be done by considering the possibility to establish a trial prosecutors unit within the ACD for representation of corruption-related cases in courts, or through a system of designation of trial prosecutors to the ACD.

18th Monitoring Meeting, September 2017

Government report

Adoption of relevant measures in the view of implementation of this recommendation is envisaged in the “Action Plan of the Prosecutor General’s Office of the Republic of Azerbaijan on the implementation of the recommendations of the Report on the Republic of Azerbaijan adopted under the Fourth Monitoring Round of the Istanbul Action Plan of the Anti-Corruption Network for Eastern Europe and Central Asia of the Organization for Economic Co-operation and Development (OECD)” signed by the Prosecutor General on 28 April, 2017. Namely Article 31 of the Action Plan considers ensuring preparation of proposals about the establishment of a division (structural unit) of trial prosecutors within the Anti-Corruption Directorate or establishment of a relevant unit within the Public Prosecution Department of the Prosecutor General’s Office, including adoption of a regulatory framework governing the relationship between the trial prosecutor and investigator/investigating prosecutor, as well as provision of appropriate measures to improve qualification and quality of public prosecution. Currently, proposals and opinions of relevant responsible units within the Prosecutor General’s Office on this issue are considered.

Assessment of progress

Azerbaijan is encouraged to implement the Action Plan which was developed to address 4th round IAP recommendations, in particular measure 31. Until Azerbaijan reports on its implementation, measuring progress in regards of this recommendation is premature.

Lack of Progress

19th Monitoring Meeting, July 2018

Government report

29.1 In order to address recommendations envisaged in the 4th Round Monitoring Report the Action Plan for the Prosecutor's Office was developed and circulated among structural units. Opinions and proposals on possibility of establishment of a division (structural unit) of trial prosecutors within the Anti-Corruption Directorate or establishment of a relevant unit within the Public Prosecution Department of the Prosecutor General's Office, including adoption of a regulatory framework governing relationship between the trial prosecutor and investigator/investigating prosecutor were received. At this stage establishment of such units are not envisaged.

Assessment of progress

It is the understanding of the monitoring experts that the proposal on establishment of the trial prosecutors' unit was not supported – this is what has been reported by Azerbaijan in its written submission. At the bilateral meeting Azerbaijan authorities provided information on steps that have been taken to improve communication and work between investigative and trial prosecutor, and examples of how it has improved – which would demonstrate steps towards implementation of this recommendation. However, the monitoring experts would strongly encourage Azerbaijan to provide all relevant information in the written form, so that it can be duly analysed and reflected in the next Progress Updates.

Progress**20th Plenary Meeting, March 2019****Government report**

29.1. As reported during previous progress updates the proposal on establishment of the trial prosecutors' unit within the ACD was not supported. However, there are other available tools for better preparation of the corruption cases for trial and to ensure success of prosecution. For example, Department on Support of Public Indictment of the Prosecutor General's Office regularly conducts summarizations, where deficiencies of pre-trial investigation are determined and proposal on improvement of situation are prepared. This Department shares results of mentioned analytical reports with investigation units which are taken into account in daily practice.

CSO report

No submissions.

Assessment of Progress

29.1. The experts regret that ACD's proposal on establishment of the trial prosecutors unit within ACD was not supported. However, since recommendation called to consider such establishment it cannot go further at this stage. Other reported steps might be helpful but it is hard to assess their true effectiveness based on the limited information provided through this progress update. Also, it would be necessary for the experts to understand if this is a new system or something that has existed before and was underutilised, or why this makes a difference now, as compared to previous state of affairs. This issue would need to be followed up in the framework of the next assessment.

Progress

CHAPTER 4 - PREVENTION AND PROSECUTION OF CORRUPTION IN EDUCATION

Recommendation 30: Sectoral anti-corruption policy and bodies and prevention measures

- 1. Introduce risk-based and evidence-supported approach to the development of anti-corruption policy in education involving a large panel of civil society stakeholders.**
- 2. Continue with the introduction of performance and impact indicators to track the progress made in the implementation of sectoral anti-corruption plans.**
- 3. Strengthen collaboration between the MoE and the State Examination Centre for continuous monitoring of education reforms and progress and ensure linkages of new evidence to both education and anti-corruption policy.**
- 4. Conduct a public expenditure review in education to assess whether public funding allocated to schools is adequate for providing quality education**
- 5. Communicate anti-corruption efforts and their measured impact, for example by providing access to relevant data and research (government, NGOs, universities)**
- 6. Review and improve existing mechanisms and platforms for a large stakeholder involvement in the design and monitoring of anti-corruption policy in education.**
- 7. Strengthen procurement policy and implementation for more clarity and transparency, including further guidelines for discretionary selection of procurement methods to encourage more use of competitive methods.**

18th Monitoring Meeting, September 2017

Government report

INFORMATION ON IMPLEMENTED MEASURES REGARDING RECOMMENDATIONS 30 AND 31

Anti-corruption policy in education and use of indicators

In accordance with the “National Action Plan on Open Government 2016-2018” approved by the Presidential Decree dated 27 April 2016, the Minister of the Education issued and Order № 45 dated 25 January 2017 on adoption of internal Action Plan that was forwarded to all structural units of the Ministry, local education management bodies and education institutions for implementation, as well as to the Commission on Combatting Corruption. In January 2017, the Commission on Combatting Corruption has established “Electronic Monitoring System” and all information and materials on implementation of Action Plan has been uploaded to the mentioned system, where progress on implementation of relevant measures can be observed and evaluated.

Public awareness on implemented measures and reforms in education sector

In order to raise public awareness on reforms implemented in education sector and strengthen their involvement in this process of e-services provided by the Ministry has been improved and their spectrum has been enlarged. Currently 13 e-services are rendered by the Ministry that includes:

1. Autentfication of education documents (www.e-gov.az/az/services);
2. E-reference for pupils of primary and secondary schools on place of their education (www.e-gov.az/az/services);
3. E-reference for pedagogical and technical staff of primary and secondary schools on place of their

work (www.e-gov.az/az/services);

4. Education of Azerbaijani youth abroad (www.xaricdetehsil.edu.gov.az);

5. Application for entrance to vocational education institutions (www.psds.edu.az);

6. Application for teachers for recruitment to primary and secondary schools and announcement on results (www.miq.edu.az);

7. Application for teachers of primary and secondary schools for re-dislocation and announcement of results (www.miq.edu.az);

8. Application for diagnostic evaluation of teachers of primary and secondary schools and announcement of results (www.miq.edu.az);

9. Application for recruitment to the position of director of primary and secondary schools and announcement of results (www.miq.edu.az/direktorlar);

10. Online nostrification (www.nostrifikasiya.edu.az);

11. Re-dislocation of student of higher education institutions (www.transfer.edu.az);

12. Application for entrance to primary schools for pupils (www.mektebeqebul.edu.az/az);

13. Information on performance of pupils (www.ael.edu.az).

E-services rendered by the Ministry of Education are integrated to the Interdepartmental Information-Search System of the Ministry of Internal Affairs, State Service on Registry of Population of the Ministry of Justice, Unique Migration Information System of the State Migration Service, Electronic Information System on Labor Contracts of the Ministry of the Labor and Social Protection of Population through the Electronic Government system. Website of the Ministry has been updated in all sections and information on activities of the Ministry, events, implemented programmes and projects are published on the website. More than 600 press-releases have been uploaded to the website, 7300 information on the Facebook page and 400 on the Twitter page. Internet TV of the Ministry is operational, and during the first six months of 2017, 91 TV programmes on various themes have been prepared and broadcasted.

Websites of 64 district and city education divisions of the country have been introduced (www.regionlist.edu.gov.az). Websites of every local education management body have been integrated to the website of the Ministry and are updated.

Establishment of Statistic Information Database on electronic gathering, centralization and processing of information on vocational education is currently ongoing with the support of Technical Assistance project implemented within the framework of the “EU support to the vocational education in Azerbaijan” project. Website of the State Agency on Vocational Education by the Ministry of the Education is established. Accreditation and Nostrification Department of Ministry has established ani@edu.gov.az electronic mail address and updated the website www.nostrifikasiya.edu.az. New Rules on accreditation and nostrification have been developed and these Rules simplified the procedures. Access of students, citizens and personnel involved in education to electronic resources has been significantly strengthened via portals newly established by the Ministry. Resources at www.e-derslik.edu.az (369.513 views), www.edu.az (110.545 views), video.edu.az (21.933 views), www.e-resurs.edu.az (84428 views), www.e-test.edu.az (139759 views) have been strengthened.

Projects of educational books for primary and secondary schools and materials for teachers have been uploaded to the www.trim.s.edu.az website with the aim of learning opinion of public.

Admission to the vocational schools in Baku and Gandza cities has been implemented through “ASAN Profession” project, which guarantees transparency and integrity, as well as reduces red tape.

“EduPay” system has been introduced for collecting education fees for higher education institutions and currently five universities have joined this system. In accordance with the Presidential Decree on application of the Law “On non-cash payments” dated 23 December 2016 all normative-legal acts envisage non-cash payments for education fees.

Admission to primary and secondary schools, lyceum and gymnasiums in Baku city has been fully transferred to an electronic basis, admission of approximately 44.000 pupils through this system has been provided. Moreover, list of documents required for admission to the primary school has been reduced. Application of 6810 parents for admission of especially talented pupils to primary schools has been registered at www.mektebeqebul.edu.az website, and as a result of review of those applications 4613 has been positively answered allowing pupils to be admitted to the first class of primary schools. 2197 application were reviewed through evaluation process based on criteria of admission to pre-school education. This will further improved and starting from the next year admission to the pre-school education will be implemented through this system.

Starting from the August 2016 the Ministry of Education together with ASAN Service has launched “Mekteblinindostu (Friend of pupil)” pilot project with the aim of improving management of education. Main goals of the project are to establish secured environment for pupils, and organization of period awareness raising and diagnostic work including parents, pupils, teachers, personnel and management of education institutions. 800 applicants were registered for participation and through test examinations and interviews 110 person successfully joined project in 30 secondary schools in Baku city after undergoing relevant training.

Involvement of civil society in anti-corruption measures and monitoring implemented in education sector

Public Supervision Councils have been established at universities. Representatives of NGOs, mass media, as well as experts in education field participate in those Councils which are aimed at increasing public participation and transparency. Cooperation with NGOs, education experts and civil society has continued and the Ministry fruitfully cooperates with “Support to Modern Education and Teaching Center”, “Corruption Combatting Foundation”, “Constitutional Research Foundation” and Education Council of Azerbaijan.

Ministry has implemented measures to establish a civil society platform, an Order “On establishment of Permanent Councils with the Ministry of Education of the Republic of Azerbaijan” has been signed on 30.01.2017 and “Charter of Permanent Councils” has been approved with that Order. Main goal in establishment of Permanent Councils is to ensure active participation of civil society and NGOs in reforms, initiatives and projects implemented in education field.

Initially, the following four Permanent Councils has been established:

- 1.Education and information communication technologies;
- 2.Education and employment;
- 3.Substance of education and textbooks;

4. Students and youth.

Project of “School societies” is implemented with the aim of establishing public supervision in education sector and strengthening of parent-school relationship. Main goal of the project is more active participation of parents in organization and management of education and combining efforts of all interested parties (pupils, parents, teachers, public and etc.) in improving quality of education.

Strengthening of cooperation between the Ministry of Education and the State Examination Center in continuous monitoring of education reforms and progress

The Ministry of Education cooperates with the State Examination Center in determination of content of final exams for IX and XI classes of secondary schools, analysis of results of pupils in admission examinations to universities, as well as monitoring of textbooks.

In the current academic year, a joint action plan on the determination and content of the final exams of the ninth grade based on new subject curricula was developed and discussed. As a result of the discussions, considering the proposals of the Ministry of Education the “Rules on conducting final attestation of trainees at the general education stage” were approved by the Decision No. 498 of the Cabinet of Ministers of the Republic of Azerbaijan dated December 12, 2016.

The Deputy Minister JeyhunGurbanov is a member of the Board of Directors of the State Examination Center.

Implementation of systematical measures to combat corruption, improving transparency of rules and guidelines, awareness raising on corruption

“Rules on recruitment to the positions of director in general education institutions which are included in the system of the Ministry of Education” was approved by the Decision No. 126 of the Ministry of Education on 03 March 2017. “Rules on recruitment, replacement of pedagogical staff and determination of demands for teachers in general education institutions which are included in the system of the Ministry of Education of the Republic of Azerbaijan” was approved by the Decision No. 54 of the Ministry of Education on 15 May 2017.

Information on vacancies for the organization of the competition for recruitment of teachers and recruitment to general education institutions was collected and the cases of hiding vacancies were prevented. Based on selected criteria, by the guarantee of the software about 1,650 people’s job location have been changed in accordance with their application.

In the first half of 2017, training courses for about 2000 teachers and administrative staff of secondary schools were organized and those training programs included anti-corruption issues. Anti-corruption topics, training programs on additional education institutions and training programs for retraining were included in curricula for relevant specialties in higher and secondary vocational education institutions, and lectures and seminars were held for the students.

The programs of the Criminal Law and Criminology subjects studied at the Law Department in the universities included issues related to the investigation and combating corruption and other related crimes. Bachelors, Master Degrees and training courses for leading personnel carry out graduation works and master dissertations on corruption crimes and combat against them.

The departments of “Information Technologies in Public Administration” conduct seminars on anti-corruption topics within the framework of “E-government basics” and “E-documentation” in state bodies.

The students who study “state regulation of the economy” carried out free work on “Human rights abuses in the context of corruption and anti-corruption measures”, “Innovation and anti-corruption activities by the state in the context of corruption”, “Impacts of corruption on economic and national security, their drawbacks and anticorruption policy”, “Impact of corruption on the country's economic-socio-political situation and anti-corruption measures”, “Joint efforts of state, law enforcement agencies and citizens in combating corruption”.

In philosophy courses a topic on “Ethical norms, moral values”, in Pedagogy and Additional education programs a topic on “Transparency in education, responsibility and anti-corruption measures” were included.

The subject on “Constitution and the basics of law of the Republic of Azerbaijan” taught in the “Social disciplines” section of universities and respectively, the section on syllabus has been added to the section entitled “Criminal Law” which reflects corruption, countermeasures, responsibilities, and so on.

Heads of the enterprises have been tasked with the preparation of booklets, guidelines and other educational materials on the fight against corruption and publishing and distributing them to students in higher and secondary vocational education institutions, and the work has been started in this direction.

In the first half of 2017, two-day trainings were held for employees of the Ministry of Education. Within the framework of the seminar the topics on “Proper communication with citizens”, “Respect for ethical conduct”, “Elimination of corruption conditions” were held and discussed.

Introduction of effective financing system in education, organization of purchases

16 Territorial Financial Accounting Centers of the Ministry of Education have been created and educational institutions are funded through these centers with the purpose of improving the management of financial and administrative resources in the field of education in order to ensure the implementation of the Decree of the President of the Republic of Azerbaijan dated December 27, 2016 "On the application of the Law of the Republic of Azerbaijan" On State Budget of the Republic of Azerbaijan for 2017". After the creation of new structures important steps have been taken in the efficient use of budget funds, optimization of the staffs.

Procurement announcements made by the Ministry of Education are posted on the official website of the Ministry of Education, the official website of the State Service for Antimonopoly Policy and Consumer Protection under the Ministry of Economy (www.tender.gov.az) and publishes in the "Nation's Newspaper".

In order to ensure objectivity and transparency in the consideration of complaints of entrepreneurs by the Decree of the Minister of Education of the Republic of Azerbaijan dated 16.02.2016 the Appeal Board, as well as the Secretariat of the Appeal Board was established by the decree No 87 on 17.02.2016. The "Appeal Board" banner has been created on the official website of the Ministry of Education.

Identification of existing vulnerabilities in the field of education, taking appropriate measures

Relevant disciplinary measures have been taken against persons who have made deficiencies as a result of conducted service investigations, inspections and monitoring carried out by the Ministry in relation to corruption and corruption related cases in education, as well as some preventive measures have been identified.

One head of Education Department, 1 consultant, 19 school directors, 8 deputy directors, and 43 teachers' contracts were abolished because of poor supervision of educational institutions, who had serious flaws in the performance of functional duties and due to law violations. Disciplinary measures have been taken about 10 directors, 8 consultants, 33 school directors, 15 deputy directors and 20 teachers.

Regularly information is exchanged with specialized agencies in combating corruption, as well as in the first half of 2017 collected materials for the investigation of 4 complaints were sent to the Prosecutor General's Office for legal assessment.

The Anti-Corruption Directorate received 122 complaints (89 of them through Hot-line Call Center) regarding education sector in the first half of 2017, and 312 complaints in 2016. In the first half of 2017, the ACD finished the pre-trial investigation and sent to the courts 10 criminal cases in education field where 12 individuals were accused. In 2016 there were 8 criminal cases and 10 accused individuals.

Assessment of progress

Information provided by Azerbaijan authorities in regards to progress on implementation of the Sector recommendations was not structured in line with the Recommendations and could be accordingly streamlined for the next reporting. Each measure can be subtitled as it is done for other recommendations for the ease of evaluation by the monitoring experts.

Nevertheless, based on the provided information the experts drew the following conclusions:

Anti-Corruption policy which has been adopted at the time of the report is still under implementation, so no new policy document has been developed yet. However, the action plan developed by the Ministry of Education and its communication to other relevant implementing stakeholders reflects the right approach. Furthermore, establishment of "Electronic Monitoring System" which will allow to track progress on implementation of the anti-corruption sectoral plan and provide for opportunity to involve broader non-governmental stakeholders in its monitoring as required in several elements of the recommendation (2, 5 and 6). It will also help inform non-governmental stakeholders and public of the anti-corruption measures and their impact, as required in the recommendation. How this new system will work in practice will therefore be very important for monitoring of further progress under implementation of this recommendation. Similarly, introduction of the wide range of new e-services by the Ministry of Education also contributes towards both informing the public on the measures taken and involving them in monitoring of anti-corruption measures and their effectiveness. Development of the websites on local and central levels, as well as making information available on them contributes towards the same goals. Establishment of the Public supervision councils at the universities and permanent councils at the level of the Ministry of Education also are steps towards implementation of the element 5 and 6 of the recommendation. Some measures have been also reported towards implementation of the element 7 which relates to procurement and they reflect progress being made. Mechanisms for monitoring of expenditure processes are being put in place which hopefully will lead towards implementation of the element 4 of the recommendation. And finally element 3 of the recommendation on cooperation between the Ministry of Education and State Examination Center is being addressed according to information provided by Azerbaijan. All these steps in sum reflect significant progress made by Azerbaijan towards implementing of this recommendation.

Significant Progress

19th Monitoring Meeting, July 2018

Government report

30.1 Current sectoral anti-corruption Action Plan for the Ministry of Education was adopted in the

framework of National Action Plan for 2016-2018 and is currently being implemented. On May 18, 2018, the Commission on Combating Corruption initiated drafting process of New Strategy and National Action Plan on Prevention of Corruption and a Working Group involving representatives of state bodies, NGOs and independent experts was established. It is planned to develop comprehensive evidence-based anti-corruption policy document with clear objectives and its adoption will be also reflected in future sectoral action plan for education sector.

30.2 Internal anti-corruption Action Plan for the Ministry of Education was adopted on 25 January 2017 in accordance with the “National Action Plan on Open Government 2016-2018”. All information and materials on implementation of the Action Plan has is periodically submitted to the Commission on Combatting Corruption through “Electronic Monitoring System” which allows to observe progress and assess implementation status of measures envisaged in the Action Plan. The report of the Ministry of Education on implemented measures for 2017 was assessed through this system and it was concluded that implementation rate was 86.6%.

30.3 The Ministry of Education cooperates with the State Examination Center in determination of content of final exams for IX and XI classes of secondary schools, analysis of results of pupils in admission examinations to universities, as well as monitoring of textbooks.

As a result of the discussions, considering the proposals of the Ministry of Education the “Rules on conducting final attestation of trainees at the general education stage” were approved by the Decision No. 498 of the Cabinet of Ministers of the Republic of Azerbaijan dated December 12, 2016.

A joint action plan on the determination and content of the final exams of the ninth grade for 2017-2018 academic year based on new subject curricula was developed and discussed.

New mechanisms for the final exams for X grade pupils currently undergoing new curricula (curriculum) was developed together with the State Examination Center. If previously, only theoretical knowledge of the students was evaluated, now based on the new system the ability to apply gained knowledge will also be assessed. In new mechanism the final grading of students for university entrance examinations will be determined based on the results of the graduation and admission exams, the role of school education will be substantially increased and the final exams will have a direct impact on admission to the higher school.

The analysis shows positive dynamics of quality of exams in general education institutions. Thus, compared to 2012, the number of IX graduates who received positive grades from all the exam subjects increased from 50.2 percent to 67.1 percent in 2017, and the exam results in the last 4 years have increased by 17 percent. The number of received excellent marks has risen from 7 percent in 2015 to 9.2 percent in 2017. The weight of the receiving relevant grades in all three subjects in 2017 increased by 2 percent compared to 2015 reaching 65.2 percent. The percentage of pupils who received "excellent" grades from all three grades increased from 6.8% to 9.4%.

Assessment of newly prepared textbooks for the state schools is carried out in cooperation with the State Examination Center. In accordance with this co-operation, evaluation of the 11th grade textbooks to be used in the 2018/2019 academic year was completed at the end of 2017, while evaluation of textbooks translated into Russian at the beginning of 2018.

30.4) Presidential Decree No 698 “On implementation of Law of the Republic of Azerbaijan on State Budget for 2016” dated December 7, 2015, envisaged improvement of financial and administrative resources in the field of education. In accordance with that Decree 15 territorial financial accounting centers of the Ministry of Education have been established. As a result, since January 1, 2017, financing of on average 80% of the education costs envisaged in the state budget are implemented

by the Ministry of Education. This has led to increased control over the efficient, targeted and transparent expenditure of funds allocated for education.

30.5 & 30.6 In order to raise public awareness on reforms implemented in education sector and ensure their active participation in this process e-services provided by the Ministry of Education has been further improved and that now includes:

1) Online verification of educational documents (<https://www.e-gov.az/az/services>) - Information about the diploma is obtained by applying to the "Electronic Government" portal.

2) The application for admission to the first vocational education institutions and the document acceptance service is carried out through the ASAN Service.

3) Providing information on recruitment of teachers to general education institutions, receiving documents and announcing the results of the competition (www.miq.edu.az) - the system provides electronic recruitment to general education institutions across the country.

4) Applying for change of place of employment of teachers working in institutions of general education, acceptance of documents and results (www.miq.edu.az) - the system ensures that teachers working in general education institutions across the country electronically change their place of employment.

5) Providing information on admission of directors to general education institutions, recruitment and competition results (www.miq.edu.az/direktors) - ensures electronic recruitment for directors of schools at general education institutions throughout the country.

6) Applying for diagnostic assessment of teachers working in institutions of general education, acceptance of documents and results (www.dq.edu.az) - the system provides electronic diagnostic assessment of teachers working in general educational institutions throughout the country.

7) Online verification of recognition and identification (nostrification) of qualifications of foreign states in the field of higher education (<http://ani.edu.gov.az>) - ensures electronic recognition and equivalence of qualifications of students in higher education in foreign countries.

8) Diversion of students studying at higher education institutions (<http://transfer.edu.az/>) - provides systematic change of students' qualifications and forms of education at the bachelor's level of higher education, and transferring them from one university to another.

9) First-year pupil admission to general education institutions (<https://mektebeqebul.edu.az/en/>) - In addition to Baku ensures pupil enrolment to the secondary schools in Ganja, Sumgait and Absheron regions in 2018-2019 school year. In these regions enrolment to school preparation groups is also conducted through this system.

10) Providing information reflecting the current achievements of pupils in education (ael.edu.az) -system is used in 43 electronic schools.

11) Admission of students to SABAH groups (sabah.edu.az) - the system ensures electronic enrolment of students to SABAH groups.

E-services rendered by the Ministry of Education are integrated to the Interdepartmental Information-Search System of the Ministry of Internal Affairs, State Service on Registry of Population of the Ministry of Justice, Unique Migration Information System of the State Migration Service, Electronic Information System on Labor Contracts of the Ministry of the Labor and Social Protection of

Population through the Electronic Government system.

At the same time, it is planned to integrate “Transfer of students studying in higher education institutions”, “Online verification of education documents' authenticity” e-services to the Information System of the State Examination Center.

Through portals created by the Ministry of Education, access to e-resources for students, educators and citizens has been significantly expanded: www.e-derslik.edu.az, www.edu.az, video.edu.az, www.e-resurs.edu.az, www.e-test.edu.az has created a great number of resources.

In order to facilitate public participation in the work of the Ministry of Education in the field of preparation of education materials a new website - www.trims.edu.az has been created and all textbooks and other print material are uploaded to this website. This platform ensures public discussion on education materials and all stakeholders can submit their opinions and proposals. The study of public opinion was carried out for the X class in 2017 and in the XI class (currently in progress) in 2018. The opinions expressed are collected and taken into account during preparation and publishing of materials.

Also, local office of Transparency International – Transparency Azerbaijan conducted an observation of final exams of IX classes of secondary education in one of the schools of Baku in 2017 and published a report on findings.

The Ministry of Education also communicates public through its website (www.edu.gov.az) where reports on activities of the Ministry, implemented measures, programs and projects are regularly posted and updated. From August 2017 to May 15, 2018, up to 800 press releases and material were posted on the Ministry's website, up to 1,600 information on the Facebook page, 553 information on the Twitter page. Internet TV of the Ministry called “Tehsil (Education)” is operational and 293 programs on various themes have been prepared and broadcasted.

30.7 Information on procurement conducted by the Ministry of Education in 2017 were made public through the official website of the State Service for Antimonopoly Policy and Consumer Protection of the Ministry of Economy of the Republic of Azerbaijan (www.tender.gov.az) and the official website of the Ministry of Education of the Republic of Azerbaijan (www.edu.gov.az).

In accordance with Article 17 of the Law of the Republic of Azerbaijan “On public procurement” preparation and printing of textbooks are carried out through tenders. Tender announcements, notifications and results regarding the preparation and publication of manuals (textbooks and methodological manuals) for public education institutions, providing basic education materials, are periodically published through the official websites of the State Service for Antimonopoly Policy and Consumer Protection and the Ministry of Education and mass media.

In order to ensure transparency and impartiality in addressing complaints of entrepreneurs the Appeal Council and its Secretariat were established at the Ministry of Education and its website was opened on the official website of the Ministry.

In accordance with the Presidential Decree dated December 23, 2016 on implementation of the Law “On non-cash payments” payment of cashless payments was ensured in all normative and legal acts regulating the payment of tuition for education. The payment of tuition fees of students studying at higher education institutions is carried out electronically.

Assessment of progress

1. It appears that Azerbaijan’s work on the new anti-corruption strategic document is being organized in line with what was recommended. They report to continue the anti-corruption

planning and are about to set it out in a document – to be reflected in a future action plan for education. However, it is still at the very early stages and the actual implementation of the plans on how to go about this development would need to be followed-up.

2. It appears from the reported information that Azerbaijan continues its previous efforts on the use of the Electronic Monitoring system and it is the understanding of the experts that impact indicators are being made to track progress – as Azerbaijan reports that progress is being tracked.

3. It appears that there is collaboration between the MoE and the State Examination Center on some issues which find their reflection in new policies, and result in improvement of the quality of education; it is not clear if any of such cooperative initiative directly related to anti-corruption issues – more information to this end is encouraged for the next progress update.

4. It appears that some steps have been towards addressing of this element of recommendation; however more information would be need to assess progress properly and understand how set up of territorial financial accounting centers of the MoE has addressed the recommendation.

5. /6. Multiple steps have been undertaken to communicate anti-corruption efforts, mostly through efforts to increase transparency of various processes and services within the education sector. The mechanisms and platforms for involvement of various stakeholders have also been developed via the same e-services. Broad number of stakeholders can be involved in development of education policies or processes. However, whether any platforms for specifically discussing and designing and monitoring of anti-corruption policy have been developed or if the existing ones can be used for these purposes and how should be clarified by Azerbaijan at the time of next Progress reporting.

7. It appears that only some information reported by Azerbaijan under this point directly relates to procurement and doesn't seem to directly address the recommendation. Also procurement beyond textbooks – capital investment (ICT, infrastructure, external services which providers might need, etc.) should be further discussed. But most importantly information that directly relates to implementation of the recommendation should be provided by Azerbaijan at the next Progress Update.

Significant Progress

20th Plenary Meeting, March 2019

Government report

30.1. The participation of educational experts, representatives of civil society, besides specialists has been provided, and their opinion and proposals have been taken into account in the discussions related to the preparation of normative acts on the application of the Law of the Republic of Azerbaijan on “Vocational training”, as well as application of the changes to the Law of the Republic of Azerbaijan “On education” with the close participation of the Ministry of Education. There are also clauses on provision of transparency and objectiveness in the field of education, implementation of preventive measures in the prepared normative legal documents.

The Law “On vocational training” was adopted by the Parliament in April 2018. It was intended to improve vocational training system, to apply 3-staged vocational training (primary vocational training, technical vocational training and high technical vocational training) in the Law. At the same time, integration of vocational education with secondary qualification education, giving dominance to the graduates of vocational training establishments during passing to next educational cycle, giving license without term to the vocational training establishments and other innovations have been

defined in the Law. Related to the application of the Law, the following 12 normative legal documents have been prepared:

1. Admission procedure to the vocational training establishments;
2. State standards of vocational training ;
3. Exemplary charter of special vocational training establishments and vocational training establishments acting under penitentiary institutions and state vocational training standards applied in the said field;
4. Procedure of passing from one level to next level of vocational training cycle;
5. Exemplary form of practice contract at workplace;
6. Procedure of providing treatment-rehabilitation service to the persons needing additional examination and treatment in the vocational training establishments;
7. Average density in study groups for separate vocational directions of vocational training establishments;
8. Social protection procedure of staff and learners at state vocational training establishments;
9. Normative related to the protection of area and protection of immovable property belonging to state vocational training establishments;
10. Financing normative of state vocational training establishments;
11. Draft of legislative act determining the types of responsibility for the violation of the Law;
12. Proposals on the establishment and activity of the development fund of vocational training.

Amendments to the Law of the Republic of Azerbaijan “On Education” have been prepared by the Ministry of Education according to the “State Strategy for the development of education in the Republic of Azerbaijan” and adopted by the Parliament. More than 60 amendments have been introduced to 21 Articles of the Law; also, 2 new articles have been added. The amendments have covered admission to higher schools, pedagogical activity, certification of teachers, admission of children to school, application international educational programs, sub-bachelor preparation and other issues. Related to the application of the Law, the following 9 normative legal documents have been prepared:

1. Organization procedure of psychological service in educational establishments ;
2. Procedure of holding examination for the purpose of assessment and recognition of knowledge, abilities, competences and practices obtained from non-formal and informal educational forms for primary vocational-qualification education by citizens and giving them the document certifying vocational qualification;
3. Organization procedure of secondary qualification education in higher educational establishments;
4. Procedure of admission of bachelors to secondary qualification educational establishments, and admission of sub-bachelors for the relevant qualifications to bachelor level of higher educational

establishments, as well as transferring the persons not completing bachelor degree (base higher medical education) to secondary qualification educational establishment;

5. List of international and republic subject Olympics, international contests and competitions and admission procedure of their winners to higher educational establishments hors concours;
6. Admission conditions of applicants studied for educational programs accredited internationally to higher educational establishments hors concours;
7. Procedure of dealing with pedagogical activity;
8. List of diseases preventing dealing with pedagogical activity;
9. Certification procedure of educators working in the state general educational establishments.

30.2. The Work Plan for 2018 has been approved by the Order of the Minister of Education of the Republic of Azerbaijan No F-110 dated February 8, 2018, regarding the implementation of the "National Action Plan for the Promotion of the Open Government for 2016-2018", it was sent to all structural units, local education authorities, educational institutions and submitted to the Commission on Combating Corruption of the Republic of Azerbaijan.

Annual report for 2018 and materials on anti-corruption measures have been placed at the portal of "Electronic Monitoring System" (www.ems.gov.az) established by the Commission for Combating Corruption of the Republic of Azerbaijan to assess the implementation of the National Action Plan. The report of the Ministry of Education regarding the work done in 2018 was evaluated over the "Electronic Monitoring System" and 94% of the measures envisaged by the relevant provisions of the National Action Plan were evaluated as fulfilled.

30.3. The Ministry of Education has made arrangements with the State Examination Center in the field of identification of the content of final exams in the IX and XI grades of general education institutions, application of new assessment tools. Proposals on the content and form of final exams in IX and XI grades studied under new subject curricula have been developed, the "Rules for Conducting Final Assessment of Attendees at the General Education Level" and "Rules for Student Admission to Higher Education Institutions of the Republic of Azerbaijan" developed based on those proposals were approved by Decisions No 550 and 553 of the Cabinet of Ministers dated December 19, 2018.

According to the Decree of the President dated 5 July 2018, the Ministry of Education has developed the projects of "Rules of Non-Competitive Admission to Higher Education Institutions of graduates of Higher Education Institutions Obtained by International Accreditation Programs" and "Rules for Non-Competitive Recruitment to Higher Education Institutions of winners of International and Republican Subject Olympiads and International Competitions". Projects were submitted to the State Examination Center on 06.11.2018 and 11.12.2018 for the approval.

The Ministry regularly cooperated with SEC (State Examination Center) and in order to get access to the Center for "Pupil-Graduate" and "Student-Graduate" information systems as well as the results of the IX and XI grades and the admission to the higher education institution (both bachelor and master degrees) were requested in the form of related reports in accordance with the needs of the Ministry of Education.

Together with SEC, new mechanisms for final exams for XI grade students currently studying on new curriculum have been identified. If previously, only theoretical knowledge of the students was assessed, now the skills to apply knowledge based on the new system will be assessed. During the

introduction of the new mechanism, the total score for the graduate admission to the higher school will be determined based on the results of the final and entrance exams, and the role of school education will be substantially increased and the final exams will have a direct impact on admission to higher education institutions.

Evaluation of newly prepared textbooks for the state comprehensive schools is carried out in conjunction with the SEC. Evaluation of the 11th grade original manuals to be available in 2018-2019 academic year was carried out.

Cooperation with the Ministry of Economy continued in the process of drafting the admission forecast for higher and secondary vocational education institutions and cooperation with SEC on the preparation and implementation of conditions for admission to educational institutions was continued, as well as cooperation with relevant ministries in the development of educational programs was continued.

Vacancies, competitions or interview positions of the vacant 3 -7th grade positions, training, work experience, computer and linguistic knowledge, as well as interview programs were prepared, agreed and approved by SEC's "Task Management System".

30.4. According to the Decree of the President of the Republic of Azerbaijan dated December 7, 2015 No 698 on the application of the "Law of the Republic of Azerbaijan on the State Budget of the Republic of Azerbaijan for 2016" 15 territorial financial accounting centers of the Ministry of Education of the Republic of Azerbaijan were established in 64 cities and regions of the country to improve financial and administrative resources management in the field of education. As a result, the Ministry of Education of the Republic of Azerbaijan finances an average of 80 percent of the tuition fees envisaged by the state budget from January 1, 2017. This resulted in transparent, effective and purposeful management of allocations envisaged for education.

At the same time, the amount of budget allocations from the state budget to education, including general education, has increased as compared with the previous years in 2018 and 2019. The increase in the budget allocations allocated to the general education institutions in recent years is related to the increase in salaries of teachers and other relevant employees, who are diagnosed according to the Decree No. 994 "Increasing the academic load and salaries of teachers conducting diagnostic assessment of their knowledge and skills in public educational institutions" dated January 16, 2015 of the President of the Republic of Azerbaijan.

Thus, the diagnostic assessment started since 2015 has covered all state-wide public education institutions in the country since 2018 and the salaries of relevant teachers and staff have increased significantly, which has had a positive impact on their social well-being and quality of education.

At the same time, the volume of funds allocated to this area within the existing budgetary capacities in 2018 has been increased, as is the case with the strengthening of the material and technical base of the educational institutions, as well as the creation of normal training conditions for educators.

30.5. Work has been continued in the area of implementing reforms in the field of education and ensuring transparency in the education system with the involvement of NGOs, educational experts, representatives of the public. In this respect fruitful and effective cooperation has been implemented with the "XXI Century" Education Center, the Center for Modern Education and Training, the Foundation for Combating Corruption, Constitutional Research Foundation and the Education Council of Azerbaijan.

On 25 July 2018 info tour was organized for observation of the competition for recruitment of teachers. Attendees closely observed the process of examinations of teachers and familiarized themselves with the conditions created for the candidates (<https://edu.gov.az/en/page/9/15274>).

In 2018, 51,000 teachers have submitted electronic applications for admission to job, which is three times more than that in 2013. In 2018, 4053 teachers were enrolled, and in the last 5 years 18,136 teachers were enrolled, promotion measures have been introduced by the government's decision to 11600 (64%) of them who started their activity in rural schools.

A media tour was held on November 23, 2018 at the 2nd educational building of the Azerbaijan State Economic University, where the examinations for employment of directors of general education institutions were held. The media representatives observed the directors' recruitment examination closely and got acquainted with the conditions created for the candidates. (<https://edu.gov.az/en/page/9/15754>).

In the 2018-2019 academic year more than 2,000 candidates applied for the centralized recruitment of directors, 1412 candidates participated in the test examination stage, 730 candidates were interviewed. Interviews were held on 5 December 2018 - 26 January 2019. According to the results of the interview, 228 candidates obtained the right to be appointed as a director of general education institution.

In the decree of the Minister of Education of the Republic of Azerbaijan "On the organization and conduct of the exam session of the autumn semester of 2018-2019 in higher and secondary vocational education institutions" dated December 11, 2018 F-792, the heads of the enterprises were instructed to create conditions for the participation of public representatives and parents in exams to ensure transparency in the examination session.

Public Supervision Council has been set up at universities to further enhance public participation and transparency, and effectively organize relationships between the university and the community. Non-governmental organizations and media representatives, as well as education experts were represented in the councils. Together with the Public Supervisory Councils, a joint project was conducted to monitor the autumn semester exam session of the 2018-2019 academic year, and the results were publicized.

On January 8 and 22 at Sumgayit State University the traditional "Open Door" Day was held on the examination session of the autumn semester of the 2018-2019 academic year, with members of the Public Supervision and Advisory Council, parents, non-governmental organizations and media representatives (<https://sdu.edu.az/en/news/1036>, <https://sdu.edu.az/en/news/1037>, <https://sdu.edu.az/en/news/1041>).

On January 9, 2019, a media tour was held at the Azerbaijan University of Architecture and Construction with the participation of public representatives, members of parliaments and media representatives to observe the transparency and objectivity of the exam process. All the details of the exam process were monitored by the guests, and all conditions were created for them to communicate with students in a relaxed way. The questions about the teaching process, as well as the exams, have been fully answered by the university administration. News on this event has been published in most of the leading media in the country, on the official Facebook page of the university as well as on official Facebook pages of the "Higher Education" and "ATM PR" of the Ministry of Education.

On January 15, 2019, "Open Door" Day was held at Azerbaijan State Economic University (UNEC) with the participation of members of the Public Supervisory Council. Members of the Public Supervisory Board listened to the application of the student and parents for the first time in the "Open

Door", and then discussed with the rector of the university to take appropriate measures to address them, and gave suggestions and recommendations.

In January 16, 2019, with the participation of the members of the Public Supervision and Advisory Council under Baku State University, MPs, education experts, non-governmental organizations, media representatives, parents and community members, exam review was held in the autumn session of the autumn semester of the 2018-2019 academic years. It was found out that in order to monitor the progress of the exam session, receive and examine applications of students and parents as well as public requests on the exam session where more than 23,000 bachelors and masters participated, Headquarters was established and Appeal Commission for Natural Sciences and Humanities faculties have been established. The conditions for the appeals of the students who were dissatisfied with the assessment were provided.

https://azertag.az/xeber/BDU_da_Ictimai_Nezaret_ve_Meslehet_Surasinin_members_imtahan_prosesi_izleyibler-1234056

According to the decree of the Minister of Education of the Republic of Azerbaijan dated February 5, 2018, F-103, in addition to the city of Baku, at schools in Ganja, Sumgayit and Absheron regions, as well as at the subordinate general education institutions of the Ministry of Education, for the 2018-2019 academic year, pupil admission to the I class was carried out online by means of online registration of applications through www.mekdebeqebul.edu.az system.

For the 2018-2019 academic year, 47,658 people in Baku, including 45,374 students under the Baku City Education Office (BCEO), 7139 people in Absheron region, 6351 people in Sumgayit and 4549 in Ganja were admitted to the I class.

In the 2018-2019 academic year 24,038 children were enrolled in 917 school preparation groups from 264 secondary schools in the subordination of the BCEO. In the 2018-2019 academic year, the total number of children involved in school enrollment increased by more than 10 per cent, reaching 75 per cent. In order to expand the coverage of children's access to preschool groups, from the 2019 academic year, in addition to Baku, schools in Ganja, Sumgayit, Mingachevir, Naftalan, Shirvan, Absheron, Samukh and Yevlakh regions as well as school prep training teams of IDP schools located in Baku, the adoption of children was carried out electronically. For this purpose, the relevant infrastructure (adaptation and security servers) for the exchange of electronic information between the Electronic Information System consisting of lists of IDPs and their accompanying persons, created by the State Committee for Refugees and IDPs and specialists of the Ministry of Labor and Social Protection of Population, joined to a single base.

In the 2018-2019 academic year, 3264 people were accepted to 139 groups in 43 schools in Sumgayit, 2777 in 142 groups in 45 schools in Ganja, 917 in 47 groups in 21 schools in Mingachevir, 132 in 6 groups in 3 schools in Naftalan and 884 people in 42 schools in the 15 schools in Shirvan, 2730 people in 112 groups in 35 schools in Absheron region, 662 in 42 groups in 29 schools in Samukh region and 1302 in 65 groups in 44 schools in Yevlakh region.

Detailed information was given about electronic enrollment of children to I class and school preparation groups in the Ministry of Education and the BCEO's official websites, as well as in the media.

On the basis of the contract with the Commission of the Republic of Azerbaijan on Combatting Corruption, monitoring of e-services for first-graders in general education institutions of Baku city was carried out by the "Transparency Azerbaijan".

30.6. The work on expanding e-services provided by the Ministry of Education with a view to informing the public about the education reforms has been continued. Thus, the letter was sent to the

Cabinet of Ministers on the addition of 5 new services to the "List of Electronic Services" approved by the Cabinet of Ministers of the Republic of Azerbaijan dated November 24, 2011, No 191. Feedback and suggestions were received from the Ministry of Transport, Communication and High Technologies, the Ministry of Justice and the State Examination Center. Work is ongoing to obtain a report on these services from the State Agency for Citizens Service and Social Innovations under the President of the Republic of Azerbaijan. These services include:

1. "Replacement of students studying at higher education institutions" (www.transfer.edu.az);
2. "Admission to first grade", "Admission to pre-school groups" (www.mektebeqebul.edu.az);
3. "Admission of applications and documents for change of place of work of teachers working in institutions of general education and information on results" (www.miq.edu.az);
4. "Receiving of applications and documents on admission of directors to general education institutions and information on competition results" (www.miq.edu.az/directors);
5. "Receiving of applications and documents on admission of directors to general education institutions and information on competition results" (www.miq.edu.az/directors);

In 2018, applications for admission of documents and requests for vocational education institutions were implemented in cities and regions where ASAN Service Centers are operating. At the same time, the Ministry of Education is working on the project on electronization of the process of enrollment of vocational education institutions. After completion of the project pupils will electronically apply to the vocational education institutions.

The portal for teachers of SABAH groups (www.teacher.sabah.edu.az) has been developed and the functionality of the website www.sabah.edu.az has been increased.

The grant competition, organized under the decision of the Cabinet of Ministers of the Republic of Azerbaijan dated June 14, 2017 "On approval of requirements for the amount and allocation of grants for educational and innovation grants, including the granting procedures, monitoring, reporting and evaluation requirements" will be conducted through special electronic portal (<https://musabiqe.edu.az/>).

The establishment of the relevant electronic service has been started in order to follow the accreditation stages of educational institutions, to get acquainted with the final decision on the evaluation report and the results of the accreditation, to ensure the transparency of the process.

The Public Services Section (<https://edu.gov.az/en/page/394/15362>) was created on the official website of the Ministry of Education in accordance with the Order of the President of the Republic of Azerbaijan No 262 on Measures to Establish an Electronic Registry of the State Services in accordance with the request of the State Agency for Citizens Service and Social Innovations under the President of the Republic of Azerbaijan.

Information on all sections of the website of the Ministry of Education (www.edu.gov.az) has been enriched. Reports on the activities of the Ministry, reports on the activities, programs and projects are regularly posted on the website and updated. The banners "Our Teacher", "Useful Resources for Teachers" have been added to the Ministry's website. To ensure accessibility of relevant information on issues of concern to the public, the website posted a banner entitled "Frequently Asked Questions and Answers". Regular updating of the banner and the information posted here has been carried out

in line with actual training topics. The work on the optimization of the Ministry's website, meeting modern standards, as well as the preparation of the mobile version is underway.

Since 2016, the district (city) education departments (administrations) have started operating. Websites of district (city) education departments (departments) are concentrated in one source (<http://regionlist.edu.gov.az/>) and put into operation. Each page is independently integrated into the Ministry of Education website. Since 2017, official Facebook pages of district (city) education departments have been put into operation and proper access to them through the mobile devices has been taken into consideration. Official Facebook pages of the Department of Informatization of Education System and Territorial Financial Calculations Centers under the Ministry of Education have been put into operation. Information posted on the websites and on the official Facebook pages is regularly updated and requests and inquiries are immediately answered.

From July 2018 till January 31, 2019, 842 press releases and materials on the developments in the field of education were posted at the Ministry's website, 1162 information on the Facebook page and 892 information on the Twitter page.

188 news articles, 41 "Basic" programs, 39 "Reading for schoolchildren", 35 "Educational Journal", 34 "Reader", 21 "Special Reports", 13 "No Comments", 27 Promo-videos, 6 "School Years", 6 "The Question of the Week", 2 "The Rector Speaks", 5 "From School", 4 "Education ...", 13 "Writers" and 15 "School Psychologist" programs have been prepared by the "EducationTV" of the Ministry of Education. The XV congresses of Azerbaijani teachers, the II Congress of Azerbaijani students, press conference on the rules of conducting attestation of students at the general education stage were broadcasted live. From July 2018 till January 31, 2019, 455 topics and program have been developed and published. The "Basic" program prepared by "Education" TV was broadcasted on the 1.news.az information portal and ARB 24 Channel, "Reader" and "Reading for Schoolchildren", "Spells" and "School Psychologist" programs were broadcasted at ARB Gunesh Channel.

Programs developed by the "Education" TV Channel of the Ministry are also uploaded to the YouTube channel of the Ministry and posted on social networks. Relevant news and video materials of the Ministry of Education are also available on the web resources of local education management bodies.

30.7. Announcements on tenders for the procurement of goods (works, services) by the order of the Department of Fundamental Construction and Supply of the Ministry of Education are published on the official websites (www.tender.govv.az/new/) of the State Service for Antimonopoly Policy and Consumer Rights Protection under the Ministry of Economy and "Khalg" ("People") newspaper.

An open tender announcement on the publication of textbook sets (textbooks and methodical aids for teachers) for providing the state educational institutions with basic teaching aids, notifications were published in the "Khalg" newspaper, were placed on official websites of the State Service for Antimonopoly Policy and Consumer Rights Protection under the Ministry of Economy and Ministry of Education.

Announcements on procurement, tender announcements, and concluded procurement contracts are regularly posted on the website of the Ministry of Education.

CSO report

No submissions.

Assessment of Progress

30.1. Azerbaijan reports extensive involvement of various stakeholders into the process of development of some of the overarching laws governing the sector (in particular, the Law on Education and Law on Vocational trainings), these laws also reportedly have integrity and anti-

corruption provisions – this is positive and may in some way be indirectly related to this part of the recommendation. However, in view of development of the new anti-corruption policy document (new Anti-Corruption Action plan) it would be helpful to understand what the role of the sector actors, such as the Ministry of Education, State Examination Center, others is in this process. In particular, it would be important to understand whether they have been consulted, involved in the drafting, undertook risk assessment of the sector in order to make informed proposals relating to reducing corruption in education – which continues to be identified by the government and law enforcement bodies of Azerbaijan as one of the highest-risk sectors in terms of corruption.

30.2. It appears that Azerbaijan is making full use of the Electronic Monitoring system and its indicators in order to progress; this is positive and should be continued. However, the system allows tracking progress on implementation of planned measures and does not evaluate impact of developed and undertaken measures. This needs to be done separately – in basic terms, Azerbaijan needs to reflect on: (i) how the level of corruption has changed or not in education; (ii) what new trends appeared; (iii) which areas, processes, etc. have become less corruption prone and which have become more corruption-prone. Based on this analysis, Azerbaijan should determine – which of the measures have been successful and to what degree, and what measures need to be adjusted or abandoned, as well as design new tools to respond to the new trends. This would be also relevant and help address first part of this recommendation.

30.3. Collaboration between MoE and the State Examination Center is positively acknowledged and examples of cooperation on development of various important processes is noted and should be further continued. This same model should be used for the activities that have been encouraged in the analysis under 30.1. and 30.2.

30.4. Azerbaijan reports good progress under this recommendation. Multiple measures towards budgetary transparency, accountability and proper management have been made. It appears that review of the public expenditures have been made and higher funding was allocated to various segments of educational sector to ensure proper financing.

30.5. It appears that Azerbaijan did a lot to provide the public, NGOs, universities, etc. on the work of the government in education area. Information on multiple examples was provided to this end, however, the experts would like to obtain more information which would directly relate to communication of anti-corruption efforts and their impact in the education sector. Also information on whether data and researches related to corruption or anti-corruption have been made public and in what form, etc. This would help assess progress specific to this part of the recommendation.

30.6. Azerbaijan reports multiple practical and some policy development measures in which various stakeholders have been actively and it appears meaningfully engaged. It appears that the stakeholders are interested and active in taking part in these, which can demonstrate that they find them important and relevant. Use of e-solutions is also commended, e-services in education sector appear to be further growing and are a good way forward. In sum, all these measures in one way or another aim to improve transparency and ensure that corruption is prevented. These efforts should be further continued.

30.7. Under this part of the recommendation, Azerbaijan reports only publication of calls for tenders, which in itself is positive and contributes to transparency but is not enough for true progress under this part of the recommendation. No information on further guidelines for discretionary selection of procurement methods to encourage more use of competitive methods have been provided.

Progress

Recommendation 31: Enforcement and results, impact

1. **Involve all relevant stakeholders (including ACD, MoE and civil society) to develop a comprehensive detection and enforcement strategy in the education sector.**
2. **Strengthen parents-teachers associations to enable public participation in the enforcement of anti-corruption policy.**
3. **Maintain and publish detailed and comprehensive statistics on the number of complaints about corruption in the education sector that are received by ACD and MoE, and on the number of investigations, prosecutions, convictions and sanctions.**
4. **Strengthen the civil society oversight to ensure that MoE seriously and promptly considers the vulnerabilities identified and takes remedial measures.**

18th Monitoring Meeting, September 2017***Government report***

See information provided under Recommendation 30

Assessment of progress

It appears that most of the information provided by Azerbaijan authorities in regards to progress under Sector Recommendations either related to Recommendation 30 or described other very positive measures that without a doubt contribute to reducing and preventing corruption, including some of the positive figures on enforcement and sanctioning, but unfortunately do not directly address specific points raised in this recommendation and could not be taken into consideration by the monitoring experts when progress on Recommendation 31 was assessed.

Lack of Progress**19th Monitoring Meeting, July 2018*****Government report***

31.1 As already was mentioned drafting of new anti-corruption strategy and policy document was initiated in May this year and the Working Group established in this view involves all relevant stakeholders, including the ACD, the Ministry of Education and civil society.

31.2 “School Communities” project is being implemented by the Ministry of Education to strengthen parent-school relationships in general education institutions and to establish public oversight institutions. The goal of the project is to involve parents in the process of organizing and managing general education, combining the efforts of all stakeholders (pupils, parents, teachers, community, etc.) in the field of education and public support for education.

31.3 The Ministry of Education conducted inspections and monitoring of regarding corruption facts and circumstances conducive to corruption in education sector. Relevant disciplinary measures have been implemented, as well as some preventive measures have been identified.

In 2017, labor contracts of one head of Education Division, one advisor, 25 school directors and 14 deputy directors, and 58 teachers were terminated due to poor supervision of educational institutions, serious shortcomings in the performance of functional duties and law violations. Disciplinary measures have been implemented in regards of 11 heads of District Education Divisions, 12 consultants, 43 school directors, 29 deputy directors and 37 teachers, 2 heads of associations of

general education schools, 1 head of division of secondary special education institution, 1 head of sector of local education management body and 1 employee.

Since August 2017 (last progress update) in order to ensure control over the spending of the funds allocated from the state budget for vocational training institutions inspections were conducted by the regional financial inspectorates of the State Financial Supervision Service of the Ministry of Finance, the Audit Office of the Ministry of Education and State Agency for Vocational Education. As a result of inspections 24 reprimand, 12 strong reprimanded with the last warning, 13 warnings were issued to individuals with shortcomings in their performance and 1 was dismissed.

Information implemented corruption prevention measures were published at the official website of the Ministry, made public at press conferences and briefings.

In 2017, a new control mechanism has been developed to improve the performance discipline of local education authorities, strengthen control over their subordinate enterprises, and coordinate their interaction with those structures. In addition, a relevant module was created at the Ministry's Electronic Citizen Reception portal to monitor the review of citizen applications by local education authorities.

In 2017, collected materials regarding examination of 7 complaints were sent to the Prosecutor General's Office for legal assessment.

At the same time regular exchange of information with the law enforcement agencies is conducted, and relevant inspections are organized on the basis of their inquiries.

In the course of the recent inquiries by various government agencies and the appeals made by individual citizens, fake certificates on recognition of qualifications of in the field of higher education foreign states were discovered. These documents (14 certificates) were submitted to the Prosecutor General's Office of the Republic of Azerbaijan by the Ministry of Education on 27.12.2017.

An appropriate database of online verification (<http://edu.gov.az/az/nostrification/search>) has been established in order to effectively verify nostrification of certificates of education institutions of foreign countries belonging to citizens. Through this database it is possible to obtain information about the owners of diplomas of foreign higher education institutions in the territory of the Republic of Azerbaijan since May 13, 2013.

In order to prevent illegal usage of administrative buildings and land plots of institutions in subordination of the Ministry of Education and prevention of corruption in this field a data bank was set up in accordance with the Order of the Minister of Education dated May 03, 2017. Documents certifying the right of educational institutions to use that land plots and other property are being re-purchased or restored and currently 663 copies of the technical passports are collected in that data bank. At present, the work in this area is continued.

The software has been developed to ensure the recording, movement and removal of fixed assets used by educational institutions under the Ministry of Education, and the pilot application has been launched.

During 2017, the Anti-Corruption Directorate with the Prosecutor General of Azerbaijan received 278 complaints (233 of them through Hot-line Call Center) regarding education sector. 24 of complaints were regarding higher education institutions, 155 regarding secondary education, 29 regarding Education divisions and 25 on other aspects. In 2016, the total number of complaints received by the ACD regarding education was 312. During 2017, Preventive Measures and Inquiry Department and Internal Security Division of the ACD reviewed 41 materials on violations in education field and in 13 cases out them a criminal case was launched. During 2017, the ACD

finished pre-trial investigation and forwarded for the review to relevant courts in total 17 criminal cases concerning 22 individuals regarding violations in education sector. In 2016, there were 8 criminal cases concerning 10 individuals investigated at the ACD.

This information is made public during semi-annual and annual press conferences hold at the ACD.

31.4 A Public Supervision Council has been established at universities to further enhance public participation, enhance transparency, and effectively interact with university and community. Non-governmental organizations and media representatives, as well as educational experts are represented in the councils. Joint projects for monitoring of 2017-2018 academic year winter exams have been implemented in cooperation with Public Supervision Councils, and the results have been published.

The preparatory work is underway to monitor the summer exam session of the 2017-2018 academic year. The Order of the Minister of Education dated May 14, 2018, No F-354, "On the organization and conduct of the exam sessions of summer semester for 2017/2018 in the institutions of higher and secondary vocational education" envisages participation of civil society and parents in exams to ensure transparency in the examination sessions.

Work has been continued in the area of implementing reforms in education sector with extensive involvement of NGOs, educational experts, representatives of civil society. The Ministry continued efficient cooperation with "The 21st Century Education Center", "The Support Center to Contemporary Education and Teaching", "The Anti-Corruption Foundation", "The Constitutional Research Foundation", "The Education Council of Azerbaijan" and other civil society stake holders.

A sociological survey was conducted to study the state of transparency in the winter examination sessions at higher education institutions in our country. The survey, conducted by the Center for Political Technologies, involves students from 14 universities.

Measures have been taken by the Ministry of Education to establish a civil society platform, and the Permanent Councils with the Ministry of Education were established. The main purpose in establishment of Permanent Councils is to ensure the active involvement of civil society representatives, public associations and NGOs in the education reform processes, in the discussion of ideas and initiatives on education development.

Information on the composition and activities of Permanent Councils is published in mass media and works on the establishment of a separate section on Internet resources is ongoing. Information on activities and meetings of Permanent Councils on "The content of textbooks and Education", "Education and employment", "Students and Youth" have been posted on internet resources of the Ministry.

Assessment of progress

1. Provided information was not enough to make judgment in regards to progress under this element of recommendation, Azerbaijan should clarify if the new anti-corruption strategy envisions including detection of corruption and prosecution of corruption in this sector, and if so this information should be presented for the reported steps to be considered as progress.

2. "School communities" project seems to be a positive steps to provide for better involvement of parents and students with schools, it provides more accountability and oversight, however, no information was provided in regards to how this relates to public participation in implementation of anti-corruption policy as recommended in this element of recommendation. More information to this end would be needed to assess progress.

3. A lot of detailed information was provided from MoE on multiple enforcement measures that they undertook to detect, investigate/review/verify possible instances of corruption, as well as information on measures to reprimand corruption on the detected violations. Various other anti-corruption measures and tools are being implemented, which are all excellent, but they are not fully relevant to this element of recommendation. And none of this information indicates a clear number of complaints and what happened to them. Only information provided by ACD appears to demonstrate that detailed statistics is being maintained on the number of complaints on corruption in education sector, investigations, prosecutions, convictions and sanctions that specifically relate to these complaints. Either other data should be provided or this cannot be assessed as progress.

4. Multiple steps on setting up of Public Councils are being reported. These councils appear to be a definite step towards strengthening of public oversight. However, information on how they work and what is their impact on the work of MoE and whether MoE takes the vulnerabilities or deficiencies that they identify seriously and takes actions to address these should be provided to the experts in order for them to assess possible progress under this recommendation.

At the time of July Progress Update the experts did not feel comfortable making assessment in regards to progress under this recommendations. The above assessment tries to point out what information is needed and the monitoring experts and secretariat are ready to engage prior to review of next monitoring update to provide preliminary indications when necessary information is missing.

No rating (lack of sufficient relevant information)

20th Plenary Meeting, March 2019

Government report

31.1. Permanent Councils, established under the Ministry of Education since 2017, have continued its activities. The main purpose of establishing permanent councils is to ensure the active involvement of civil society representatives, public associations and NGOs in the process of reform in education, in the discussion of ideas and initiatives submitted for development of education.

On the official website of the Ministry of Education, a page reflecting the activities of Permanent Councils has been created and is regularly updated. During 2018, 16 meetings of Permanent Councils under the Ministry of Education were held. Information on the meetings and activities of Permanent Councils was published on the Ministry's website (<https://edu.gov.az/en/page/538/15782>).

Topics on investigation of corruption offences as well as on combating corruption are included in the programs of "Criminal Law" and "Criminology" subjects taught at the Department of Law at the Academy of Public Administration under the President of the Republic of Azerbaijan. At "Information Technologies in Public Administration" department seminars on anti-corruption are held within the subjects of "Basics of E-government" and "E-documentation in state bodies". At "Public Administration and Management" department seminars on anti-corruption topics are held within the specialties on "State and Municipal Administration" and "Management".

In bachelor's and master's degrees at "Law" faculty of Baku State University anti-corruption topics are taught under several subjects to the students. For example: "Criminal Law" taught in a bachelor's degree. In "Special section" subject "Corruption offenses and other offenses against public interests" topic, in selective subject "International Criminal Law", "International and domestic fight against corruption offenses" topic are taught.

An Open Government link has been created at the Azerbaijan State Pedagogical University's web portal. The official documents, presentations, articles, video clips on Open Government, and contact for students to apply electronically to senior university staff were placed.

Anti-corruption themes were included in the "Constitution of the Republic of Azerbaijan and Basics of Law" curriculum taught at higher education institutions. At the same time, seminars on "Comparative analysis of the experience of the Republic of Azerbaijan and foreign countries in combating corruption", "International legal aspects of combating corruption", "Transparency in education, responsiveness, and anti-corruption measures" were organized, booklets, guidelines and other educational materials were distributed to students.

Trainings for the employees of the Ministry of Education were held in October-November 2018 on "Ethics Conduct and Techniques to Combat Corruption" themes. The training was carried out by the Azerbaijan Anti-Corruption Academy (AZAKA), with more than 150 employees involved. Presentations, business role games, video clips and etc., were used in trainings. Within the framework of the training, discussions, and debates were held on topics such as "Proper communication with citizens", "Following ethical standards", "Elimination circumstances conducive to corruption".

Within the framework of 5 years of "State Strategy for the Development of Education in the Republic of Azerbaijan", seminars were held in order to increase qualification of journalists who write about education. The first seminar was dedicated to the topic of "Innovations in the organization of additional education of educational workers". The next seminar was held in Mingachevir at the "ASAN Vocational Training Center". During the seminar on "Vocational Education in the Republic of Azerbaijan: Reforms and Perspectives" topic, media representatives were informed about the reforms in vocational education in recent years.

31.2. In order to increase the effectiveness of school-parent relations, "Parent-Teacher Association" operates in several schools. "School Communities" project is being implemented since 2015 to develop the existing experience in the development of parent-school cooperation, the organization of work with parents and the implementation of anti-corruption policies in order to improve the pupil's educational achievements, and to build school-parent relationships at a more modern level.

The "School Community" - is a teacher, parent, and pupil association created to make school life more interesting. The school community is headed by the chairman and committees on key areas of activity.

During the reporting period, meetings were held with the participation of schools involved in the "School Communities" project and discussions were held on the positive outcomes of the project. At the meetings, recommendations were given to further expand the "School Communities" project, to effectively organize the community self-governance structure and parents were given advice on how to increase cooperation.

At present, 150 general educational institutions under the Baku City Education Department have joined the "School communities" project. In schools where communities are organized, parents have an opportunity to become closely acquainted with their children's education and become an active participant in this process. Teachers, not just teaching a student, provide the students and their parents with the necessary pedagogical, technical and moral support and guidance.

With a close involvement of the Ministry of Education, the draft law of the Republic of Azerbaijan On "General Education" was prepared and adopted in the first reading in the parliament. In the draft Law provisions on strengthening school-parent relationships, providing the role of parents in school life are also envisaged.

31.3. The complaints received by the Ministry of Education, Baku City Education Department and local education management bodies during the period from July 2018 till end of January 2019 are as follows:

1. Jalilabad Region Education Department has released a statement on the video posted on social networks on the fact that the director of Goytapa city secondary school No. 3 of Jalilabad Region, has beaten 9th grader of Mugan village secondary school.

The statement noted that the acting director of the school, was dismissed from his post during the investigation and the relevant decision would be made based on the results of the investigation. <https://report.az/elm-ve-tehsil/celilabadda-sagirdi-doyen-mekteb-direktoru-isden-cixarildi/>; http://musavat.com/news/sagirdi-doyen-direktorla-bagli-arasdirma-baslayib-resmi_579013.html; <https://oxu.az/society/290142>

2. Complaints of a secondary school English teacher in Sarkhanli village secondary school in Jalilabad region who did not have higher pedagogical education, regarding the director of the school, on not issuing position of head of class to him has been published at media. Jalilabad Region Education Department provided media with information on review of the complaint. It was noted that the director of the school and the complainant were interviewed. It turned out that 23-hour foreign language lessons at the school was given to the author of complaint. He was not given a position of head of class because of presence of the large number of educated teachers in the school. However, at the request of the complainant during the investigation, he was given an additional 2 hours of association training.

https://www.bizimyol.info/az/news/120053.html?fbclid=IwAR1_f934481ho3aybjGxP9EDgSe3vJu9bcK55PW4VdagLr981FEf10zn_JE

3. Baku City Education Department issued a statement on the violence against the director of secondary school No. 175. The Baku City Education Department strongly condemned the physical violence against the director of the secondary school No. 175 in the capital. <https://report.az/elm-ve-tehsil/bsti-direktorun-doyulmesi-barede-aciqlama-verib-meselenin-edaletli-huquqi-qiymet-alacagina-inaniriq/>; <https://az.trend.az/azerbaijan/society/2983102.html>; <http://www.xezerxeber.az/Web%20TV/227049.html>

4. The Baku City Education Department issued a statement regarding the sale of tickets to pupils of the secondary school No. 194. The statement noted that the obligatory sale of tickets due to the New Year's holidays in general education schools are unacceptable.

<https://az.trend.az/azerbaijan/gundem/2996819.html>; <https://az.baku.ws/education/55241-bak-mktbind-yeni-il-nliyi-qalmaqali-msly-thsil-darsi-qard.html>; <http://bolgexeber.com/index.php?newsid=52040>

5. The information of the dismissal of a teacher who worked as a deputy director for 15 years in the secondary school No. 30 has been released. It was clarified labor contract of the deputy director for educational affairs (organizer) of the secondary school № 30 of Baku city, was terminated on the basis of not fulfilling labor duties by her.

<http://qaynarinfo.az/az/direktor-deyir-ki-imkanli-valideynlerden-istifade-ele-30-nmreli-mektebde-ne-bas-verir/>

During the reporting period, identification of existing shortcomings in the field of education, implementation of systematic measures against negative situations was one of the main directions of activity. The Ministry's Internal Control and Audit divisions conducted service checks, examination,

and monitoring, and disciplinary measures were taken against persons who committed violations, preventive measures have been identified to prevent future cases.

Within the framework of internal control measures, the employment contract with 1 district education department was terminated, as well as two general school principals and three teachers were dismissed from position for their shortcomings. In addition, disciplinary measure was taken against 5 directors, 1 deputy director, and 4 teachers. Materials collected on 3 investigations were sent to the Prosecutor General's Office of the Republic of Azerbaijan for legal assessment.

As a result of the measures taken during the reporting period, funds paid over up to 10109 manats have been paid back to the state budget.

In 2018, the cases of illegal occupation of educational areas were identified, and the relevant authorities were informed on this. Also, relevant measures were taken with the participation of members of the Working Group on the implementation of the order of the Ministry of Education on May 3, 2017 "On Preparation of Technical Passports of Educational Institutions". Till now, technical passports of 222 institutions have been received, and this indicator was 53 in the reporting period. As a result of the measures taken, the data bank on enterprises within the structure of the Ministry of Education system was created and electronic versions of technical passports of 735 institutions were collected.

During 2018, the Anti-Corruption Directorate with the Prosecutor General of Azerbaijan received 312 complaints (172 of them through Hot-line Call Center) regarding education sector. 29 of complaints were regarding higher education institutions, 111 regarding secondary education, 21 regarding Education divisions and 21 on other aspects.

During 2018, the ACD conducted pre-trial investigation of 14 criminal cases regarding 16 individuals regarding education sector. Pre-trial investigations of all 14 cases were finished and they were forwarded to relevant courts for the review. In those cases where trial proceedings have been finished all individuals were convicted and there was no case of acquittal. The ACD shared this information with mass media during semi-annual and annual press conferences.

31.4. By Order No. 84 of the Minister of Education of the Republic of Azerbaijan dated 16.02.2016 to review repeated complaints resulted from decisions, actions or inactions of the Ministry of Education and its structural (local) bodies relating to entrepreneurial activity of physical persons and legal entities engaged in entrepreneurial activity (with the exception of applications related to corruption offenses), as well as complaints submitted by candidates on the results of the civil service interview the Appeal Council of the Ministry of Education of the Republic of Azerbaijan was established. E-mail address (apellyasiya@edu.gov.az) of the Appeal Council was created with the aim of creating conditions for citizens to apply electronically to the Council.

From July 2018 to January 2019, the Appeal Council received 30 complaints. 18 of these complaints were sent to the relevant structural units as they were not under the authority of the Council. An electronic response has been sent to citizens for 5 complaints that the complaint is not entirely within the jurisdiction of the Ministry or that the appeals are incomplete. 7 complaints received from results of the interview given on civil service recruitment were reviewed at the Appeal Council meeting, 2 interviews were re-arranged, a decision to include 1 person's name in the reserve list was sent to the State Examination Center and the complaints of 4 persons have not been satisfied.

CSO report

No submissions.

Assessment of Progress

31.1. Azerbaijan did not provide relevant information in regards to this part of the recommendation. It is suggested that this issue can be further discussed with the ACN Secretariat to provide more guidance in regards to implementation of this element of the recommendation.

31.2. As it was mentioned previously at the last progress update, information provided under this part of the recommendation does not directly relate to this recommendation.

31.3. ACD continues to maintain and publish detailed and comprehensive statistics on the number of complaints about corruption in the education sector that they received by ACD, including the number of stemming from these complaints investigations, prosecutions, convictions and sanctions. Ministry of Education also provided statistical data in this regard (under 31.4), the experts would be interested to know if this information made public and if so – in what form. MoE also provided some information on individual complaints and their content, as well as information in regards to other types of common integrity violations and what is being done to reduce them.

31.4. Azerbaijan did not provide information, which would directly relate to implementation of this part of the recommendation. It is suggested that this issue can be further discussed with the ACN Secretariat to provide more guidance and examples of relevant experience from ACN and other countries in regards to implementation of this element of the recommendation.

Progress

OTHER MAJOR ANTI-CORRUPTION DEVELOPMENTS

Azerbaijan dropped six points on the CPI, moving from 31 in 2017 to 25 in 2018. TI explains this decline with “a continued crackdown on civil society and independent journalists.” They also see links to the published investigation in September 2017 by the [Organized Crime and Corruption Reporting Project \(OCCRP\)](#) that revealed an alleged US\$2.9 billion money laundering operation and slush fund run by Azerbaijan’s ruling elite. The Azerbaijani Laundromat operation allegedly used the siphoned funds to promote the country’s image abroad and distract from human rights violations committed under its authoritarian regime, according to the report.

Source: Eastern Europe & Central Asia: weak checks and balances threaten anti-corruption efforts, TI January 2018
https://www.transparency.org/news/feature/weak_checks_and_balances_threaten_anti_corruption_efforts_across_eastern_eu